

Political Science

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The Logic of History

FROM CAPITALISM TO SOCIALISM:
BASIC FEATURES OF
THE TRANSITION PERIOD

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"I personally feel that this publication is unquestionably good. It is a basis and educator for the Marxist-Leninist outlook, especially for the countries such as mine which are at the period of transition from feudo-capitalism to socialism. In fact, it is one of the books we are using to solve our political difficulties concerning our revolution at this very moment."

*Aberra Zemedhum, 25,
university student, Ethiopia*

"Excellent. We need more of this to bring it more up to date."

*John Gillbanke, 73,
pensioner, Canada*

* * *

This booklet deals with the basic Marxist-Leninist principles concerning the period of transition from capitalism to socialism. It also describes the experience of the Soviet Union and other countries in the building of socialism.

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CHAPTER I

Is the Development of Human Society a Law-Governed Process?

The best minds of mankind have always been interested in the questions of how human society develops and what governs its development, whether the changes taking place in society are accidental or subject to laws, and whether such changes depend on the will and consciousness of people.

Man's interest in these and other related questions is understandable. For man is a social being; he lives among people and is linked to them in numerous ways. It is only natural that he should be concerned about the future of society, about the changes occurring in it, and about the direction in which it develops.

Karl Marx and Frederick Engels, founders of scientific communism, were the first to provide the answers to the questions of how human society develops and why, and what laws govern this development. They showed that the history of human society should be viewed as a natural historical process which develops in accordance with laws which no one can either repudiate or invent.

To exist people must have food, clothing, housing and other necessities of life. Nature does not provide

these necessities. To obtain them people must work. For instance, to have food, people raise livestock, plough land, and cultivate wheat, barley or maize. This means that the main, determining factor in social development is labour, the production of the necessities of life. Labour forms the basis of social life. Human life would be impossible without labour.

Engels wrote that labour "is the prime basic condition for all human existence, and this to such an extent that, in a sense, we have to say that labour created man himself."¹ The founders of Marxism-Leninism singled out economic relations from all social relations as the main ones which determine the nature of all other social relations.

Before considering in detail the concept of economic relations it is necessary to define several terms.

Productive forces. To satisfy his needs man engages in labour activity in the process of which he transforms nature with the help of objects and means of labour. Things that man acts on (ore, metal, timber, cotton, etc.) in order to obtain the necessities of life are objects of labour. The means of labour are things (machines, equipment, tools, etc.) with the help of which man acts on nature. Objects and means of labour together constitute the means of production. But means of production cannot function of their own accord. Man is the decisive factor in all production. Therefore, included in the concept of productive forces, in addition to the means of production created by society, are people who produce the material wealth.

¹ Marx and Engels, *Sel. Works*, Moscow, Progress Publishers, 1969, Vol. 3, p. 66.

Productive forces are only one aspect of material production. The relations of production, or economic relations, i.e. the relations formed between people in the process of production, are another aspect of production.

There is no, nor can there be production without relations of production. People have always lived and worked together since no one can resist the forces of nature alone. There can be no production without people working together, just as there can be no development of language without people living together and communicating with one another. Marx wrote: "In order to produce, they (people-Ed.) enter into definite connections and relations with one another and only within these social connections and relations does their action on nature, does production, take place."¹

Relations between people are formed primarily with respect to the means of production. To produce people must have means of production; they must own them. But such means may be owned by an individual, a group of people or by the whole of society. Those who own the means of production own the product made with their help. Thus, the relations formed between people in the process of production are first of all determined by the question of who owns the means of production, i.e. by the form of ownership. For instance, if the means of production are owned by the working people (public ownership) and are used in the interests of the whole of society, the relations of production are characterised by cooperation and comradely mutual assistance and are free from exploitation, as in the socialist countries. If the means of production are not owned by those who work on them, i.e. if

¹ Marx and Engels, *Sel. Works*, Vol. 1, p. 159.

they are owned by exploiters—private entrepreneurs or capitalists (private ownership)—and are used by them for the purpose of appropriating the products of other people's labour, the production relations are those of domination and subordination, as in the capitalist countries.

Thus, social production has two aspects—productive forces and production relations. Together they form the historically determined mode of production.

We have defined the concepts of the means of production, productive forces, production relations, and the mode of production. Now we shall consider the question of what is the motive force in the development of human society.

Marx and Engels arrived at the conclusion that the course of historical development is governed by objective laws which operate independently of the will or consciousness of people, and that people always have to make their actions conform to the existing economic conditions.

The founders of scientific communism showed that each new generation of people find production relations that have taken shape historically and a definite level of development of the productive forces. On the one hand, the new generation develops the productive forces, but on the other hand, the production relations and the existing productive forces predetermine the conditions of life and thus also the character of development of this generation. As Marx and Engels wrote in their early philosophical work *The German Ideology*, "History is nothing but the succession of the separate generations, each of which exploits the materials, the capital funds, the productive forces handed down to it by all preceding generations, and thus, on the one hand, continues the traditional activity in completely

changed circumstances and, on the other, modifies the old circumstances with a completely changed activity." ¹

Thus, the conditions of material production and the laws of its development are of an objective character in the sense that people are not free to choose the modes of production. Emphasising the objective character and the decisive importance of material production in the development of human society Engels wrote that the ultimate causes of "all social changes and political revolutions are to be sought, not in men's brains, not in man's better insight into eternal truth and justice, but in changes in the modes of production and exchange. They are to be sought, not in the *philosophy*, but in the *economics* of each particular epoch." ²

The history of human society consists in the law-governed development of social production, a necessary process of the replacement of a lower mode of production by a higher mode of production, a process which is independent of the will and consciousness of people.

How does production develop?

The development of production begins with changes in the productive forces. History shows that to raise labour productivity and to create more material wealth people constantly try to improve the existing and to make new and more efficient implements and means of labour. Technological progress and changes in the productive forces necessitate changes in production relations. However, since production relations are of a less flexible and a more conservative character they develop at a slower

¹ Marx and Engels, *The German Ideology*, Moscow, Progress Publishers, 1964, p. 59.

² Engels, *Anti-Dühring*, Moscow, Foreign Languages Publishing House, 1962, p. 365.

rate than the productive forces. Gradually the production relations begin to lag behind the productive forces and as a result hold back the development of the productive forces and turn into their fetters.

There can be no such thing as a constant state of conflict between the productive forces and relations of production. This conflict serves as the material basis for social revolution which destroys obsolete production relations and replaces them with new relations that provide freedom for the development of the productive forces. The objective necessity of the development of production compels people to go over to other, more progressive, forms of production relations and finally to a new and more progressive mode of production.

A given level of development of the productive forces requires production relations that correspond to it. Such is their objective dialectics. This is the law, discovered by Marx, of the correspondence of production relations to the character of the productive forces.

Now let us see how this dialectics manifested itself in the history of human society.

CHAPTER II

What Modes of Production Are Known in History?

The history of mankind knows five modes of production, one replacing another in succession. They are the primitive communal, slave-owning,

feudal, capitalist and socialist (communist) modes of production.

The primitive communal mode of production was the lowest and historically the first form of organisation of people. It emerged together with the appearance of man about a million years ago and prevailed on earth up to the fifth-fourth millennium B.C. During this period man used objects found in nature, such as sticks and stones, and gradually reached the stage where he himself made primitive implements of production. Subsequently man learned to make better implements and discovered the useful properties of fire. The extremely low level of development of the productive forces determined the corresponding relations of production which were relations of cooperation and mutual assistance and which were based on public ownership of the means of production and equal distribution of the products (i.e. independent of the quantity and quality of labour). It could not be otherwise because in those times people had primitive implements and could withstand the forces of nature only collectively.

What they produced was barely enough for the maintenance of life. The individual had nothing to appropriate or to save for the future. That accounted for the absence of private property, classes and exploitation.

Slowly, however, the productive forces grew. As people acquired production experience, labour productivity increased. This created conditions not only for natural but also social division of labour. The earliest form of such division of labour was the separation of cattle-breeding from crop cultivation. Handicrafts, too, later developed into an independent branch of production.

As a result of the development of the productive forces the tribal commune broke up and was replaced by families. Private ownership came into being, and individual families became owners of means of production. Man learned to produce more than he needed for subsistence. There arose the possibility of exploitation, i.e. the enrichment of some members of society at the expense of others. Primitive equality gave way to inequality. The first antagonistic classes appeared—the slave owners and the slaves. Thus, the development of the productive forces led to the replacement of the primitive communal mode of production by the slave-owning system.

The slave-owning mode of production was the next stage in the history of human society. At this stage the productive forces inherited from the primitive communal system were further developed. The process of division of labour continued. Towns appeared and trade developed.

The production relations which took shape under the slave-owning system corresponded to the level of development of the productive forces under that system. These relations were characterised by the ownership by the slave-owners both of the means of production and the slaves, and also of the products they made. As for the slaves, they were provided only with enough means of subsistence so that they would not die of hunger.

Thus, relations of domination and subjection were established in slave-owning society. These were relations of economic exploitation of the masses who were slaves and who had no rights whatever. The state emerged as a tool of class domination by the slave-owners.

For a certain period of time slave-owning relations of production promoted the development of

the productive forces. But gradually they came to hinder their development, because production demanded constant improvement of the instruments of production and growth of labour productivity, and the slaves were not interested in this.

The conflict between the growing productive forces and slave-owning production relations became increasingly sharp with time. It led to slave uprisings. The extreme aggravation of class contradictions finally shattered the economic and political foundations of slave-owning society. A new society—the feudal society—arose on its ruins.

The feudal mode of production which replaced the slave-owning mode of production was characterised by a further development of the productive forces. People learned to use the energy of the water and the wind. Handicrafts developed rapidly. The first mechanical tools appeared, trade was expanded, cities continued to grow and agriculture advanced.

The new, feudal production relations made it possible further to develop the productive forces. These relations were based on the ownership by the feudal lords of the land and other means of production and their incomplete ownership of working people, i.e. serfs. A feudal lord could compel a serf to work for him; he could buy or sell serfs, but had no right to kill them.

As under the slave-owning system, production relations in feudal society were relations of domination and subjection, of exploitation of serfs by a small number of feudal lords.

These relations, however, were of a more progressive character as compared to those in slave-owning society, because they provided certain incentives to work for the serfs. The peasants now owned some means of production, such as small plots of land,

livestock, implements, etc. After paying his rent to the feudal lord the serf had time left to work for himself. This made him interested in improving the implements of labour, in increasing labour skills and in raising productivity.

With time the productive forces of feudal society continued to develop. The shop of the individual handicraftsman was replaced by the manufactory. By concentrating a large number of workers under one roof the manufactory furthered the division of labour and sharply raised productivity. The manufactory marked the rise, within the feudal system, of a new and more progressive, capitalist mode of production. Further advance of the productive forces was hindered, however, by feudal production relations. Under feudalism the serfs were bound to the land, and this prevented the influx of labour into the growing industry. The need arose to replace feudal production relations, which had become a hindrance to the development of the productive forces, by more progressive production relations. This was accomplished by the bourgeois revolutions which were headed by a new class—the bourgeoisie.

The capitalist mode of production represents a further stage in the history of mankind. Its productive forces are based on large-scale machine production. The workshop of the handicraftsman was replaced by big factories, plants and mills. Marx and Engels characterised the productive forces of capitalism as follows: "Subjection of Nature's forces to man, machinery, application of chemistry to industry and agriculture, steam-navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalisation of rivers, whole populations conjured out of the ground. . ." ¹

¹ Marx and Engels, *Sel. Works*, Vol. 1, p. 113.

This rapid growth of productive forces was not accidental. It was conditioned by new, capitalist relations of production which were based on private capitalist ownership of the means of production. Under capitalism the workers are legally free; that is, the owner of the means of production, the capitalist, cannot compel them to work for him. However, being deprived of the means of production the workers are forced to sell their labour power to the capitalists in order to make a living and are thus subject to exploitation.

Capitalist production relations have created a new incentive to the development of production, namely capitalist profit. It is the drive for profit that makes the capitalist expand his production facilities and improve equipment and techniques; and this accelerates the development of the productive forces. As a result the productive forces develop faster than capitalist production relations. The contradictions of capitalism became evident, the basic contradiction being that between the social character of production (with hundreds of millions of people participating in it) and the private capitalist form of appropriation of its results (the fruits of the labour of millions are appropriated by a small group of owners of the means of production).

The contradictions of the capitalist mode of production are aggravated to the extreme in the last stage of capitalism, namely in the epoch of imperialism, when free competition is replaced by the domination of huge monopolies.

The monopolistic associations combine the labour of millions of people not only within one country, but also beyond its borders. They become fused with the state machinery, and this leads to the emergence of state-monopoly capitalism. Production becomes increasingly socialised. By expanding the

productive forces on a vast scale capitalism, however, creates the material preconditions for its own downfall. The developing productive forces outgrow the framework of capitalist production relations. This gives rise to acute contradictions (economic crises, unemployment, wars, etc.), which can only be resolved by a socialist revolution. A socialist revolution abolishes the outdated production relations of capitalism and replaces them with more progressive, socialist relations based on public ownership of the means of production.

The social force that destroys capitalist relations and creates a new, socialist mode of production is the working class acting in alliance with the working peasants. This historical role of the working class is explained by the fact that as a direct producer of material wealth it is interested in everything that is progressive. It is the working class that suffers most under the system of capitalist production. As is said in the *Communist Manifesto*, "the proletarians have nothing to loose but their chains."¹

The vanguard of the working class is a political party which adheres to the theory of scientific socialism, uniting this theory with the mass movement of the working class.

Thus, the development of capitalism itself creates objective and subjective prerequisites for socialism, the first stage of communism.

To replace the capitalist mode of production by the socialist mode of production, however, a whole historical period is required. It is known as the period of transition from capitalism to socialism.

¹ Marx and Engels, *Sel. Works*, Vol. 1, p. 137.

CHAPTER III

The Period of Transition from Capitalism to Socialism—a Historical Necessity

The replacement of capitalism by socialism as a result of revolution is a law-governed process. This process is inevitable owing to the entire course of historical development of society. This is one of the fundamental principles of Marxism-Leninism which is proved by life itself and confirmed by the experience of many countries that have embarked on the road of socialism. "The first fact that has been established most accurately by the whole of theory of development, by science as a whole," wrote Lenin, the founder of the Communist Party of the Soviet Union and the world's first socialist state, a few months before the 1917 socialist revolution in Russia, "...is that, historically, there must undoubtedly be a special stage, or a special phase, of *transition* from capitalism to communism."¹

The necessity of a period of transition from capitalism to socialism is due to the nature of socialist revolution, which differs fundamentally from bourgeois revolution. As said earlier, the bourgeois revolution occurred within the framework of the feudal system after the capitalist mode of production had emerged and developed. The socialist revolution

¹ Lenin, *Coll. Works*, Vol. 25, p. 464.

takes place without socialist relations of production being formed within the framework of the capitalist system. Lenin wrote: "The difference between a socialist revolution and a bourgeois revolution is that in the latter case there are ready-made forms of capitalist relationships; Soviet power—the proletarian power—does not inherit such ready-made relationships."¹

Since the economic foundation of capitalism is created during the preceding period of historical development, the bourgeois revolution is completed with the seizure of political power. Therefore, the purpose of bourgeois revolution consists in the abolition of outdated feudal production relations. In contrast to this, socialist revolution begins with the taking over of political power. The triumphant proletariat uses the instrument of political power for the reconstruction of the economy on socialist principles and for the abolition of the remaining elements of capitalism.

Why is it not possible for the socialist mode of production to emerge and develop within the framework of the capitalist system? There are several reasons for this. We shall examine them in detail.

The first reason. A necessary condition for the emergence of capitalist relations of production is the isolation of the worker from the means of production, i.e. the turning of the worker into a proletarian, one who owns nothing but his labour power which he is compelled to sell to the capitalist in order to earn a living.

A necessary condition for the existence of the socialist mode of production is union of the immediate producers—the workers—with the means of produc-

¹ Lenin, *Coll. Works*, Vol. 27, p. 90.

tion. Naturally, such union cannot take place within the framework of capitalist society.

With the establishment and consolidation of the capitalist mode of production the means of labour designed for individual use are replaced by those which are operated by a group of individuals. The character of the means of production under developed capitalism excludes the operation of these means by individual workers. Under capitalism the working class cannot become master of the means of production which it puts into operation by its labour. The most a worker can count on is to earn enough money for a more or less bearable existence. But even this cannot always be achieved owing to chronic unemployment in capitalist society. It is obvious that the working class cannot possibly find enough money to buy the means of production which it has created by its labour. There is only one way out, and that is to wrest them from the bourgeoisie by force. This is the only way to restore justice with respect to the working class.

The second reason. It has been shown above that in the course of historical development the slave-owning society was gradually replaced by feudal society, and the feudal society by capitalist society. In this process the old (outdated) and new (emergent) modes of production coexisted over a prolonged period of time. This was possible because these systems had a common basis, namely private ownership of the means of production. In other words, slave-owning, feudal and capitalist property are essentially of the same type.

In contrast to this, socialist ownership is a direct negation of all forms of private ownership of the means of production. That is why socialist ownership cannot emerge within the framework of capitalism.

The third reason. Socialist relations of production are based on national (public) ownership of the means of production. Under capitalism ownership develops only along such lines which leave intact its private character. Even the turning of separate means of production into the property of the capitalist state does not alter their exploiter character. Capitalist ownership does not thereby become public ownership because the capitalist state is actually an "aggregate capitalist," a sort of committee for the management of the affairs of the capitalist class.

The fourth reason. Capitalist ownership could emerge within the framework of the feudal system and exist side by side with feudal ownership because both forms of ownership are characterised by exploitation of man by man. During the transition from feudalism to capitalism only the forms of exploitation change, but exploitation as such is not removed. The same is true of the transition from the slave-owning to the feudal system.

As to socialist ownership, its nature rules out exploitation of man by man. The emergence of public ownership, therefore, undermines the very foundation of a society which is divided into hostile antagonistic classes. It goes without saying that this is impossible within the framework of capitalist society.

The fifth reason. All pre-socialist modes of production were the result of spontaneous development of the productive forces. The socialist mode of production, which is based on public ownership, excludes spontaneity and anarchy in its development. It can emerge and develop only as a result of the purposeful efforts of the working class, the peasantry and the intelligentsia, of all working people. The socialist state alone can plan, organise and di-

rect such actions. It carries out a series of measures for the moulding and development of production relations that are characterised by friendship and cooperation between people who are no longer subject to exploitation.

From what has been said above, one may conclude that the socialist mode of production cannot emerge within the framework of the capitalist system. It emerges, develops and gains strength only after capitalist production relations have been abolished.

The working people, however, cannot build a socialist society overnight. Lenin explained why this is so. He wrote: "This object cannot be achieved at one stroke. It requires a fairly long period of transition from capitalism to socialism, because the reorganisation of production is a difficult matter, because radical changes in all spheres of life need time, and because the enormous force of habit of running things in a petty-bourgeois and bourgeois way can only be overcome by a long and stubborn struggle."¹

Thus, the transition from capitalism to socialism constitutes a whole historical stage which begins with the taking over of political power by the working people and ends with the building of socialism. This is the period of transition. During this period all forms of private ownership of the means of production are gradually eliminated and these means are turned into public property; the exploiter classes and all forms of exploitation of man by man are abolished. Small-scale commodity production engaged in by peasants and handicraftsmen undergoes a gradual socialist transformation by means of voluntary cooperation; the material and technical basis

¹ Lenin, *Coll. Works*, Vol. 29, p. 388.

of socialism is created in the form of large-scale machine production capable of ensuring technological progress in all sectors of the national economy; a cultural revolution is carried out and the petty-bourgeois strata are re-educated in the spirit of the new, socialist ideology.

The duration of the transition period, for the countries which have embarked on the socialist path of development, depends on the concrete, historic conditions in the given country, including the level of development of the productive forces achieved in the pre-revolution period, historical and national traditions, and the degree to which the old ideology is retained in the minds of the people.

For the advanced capitalist countries, where the level of socialisation of production is higher and where, therefore, there exist more economic prerequisites for socialism, the transition period may be shorter than for the less economically developed countries.

A favourable international situation and, above all, the emergence and consolidation of a number of states which make up the world socialist system, also provide conditions for accomplishing the tasks of the transition period more quickly and with less strain.

In the Soviet Union, which was the first to carry out socialist changes, the transition period began in October, 1917, and continued until the middle of the 1930's. The Constitution of the Union of Soviet Socialist Republics adopted in 1936, affirmed the victory of socialism in the country. In other socialist countries the period of transition from capitalism to socialism was shorter. This, as said earlier, was due to the emergence and consolidation of the world socialist system. In Bulgaria, Hungary, Czechoslovakia and Romania, for instance, the tran-

sition period lasted about 15 years and in the German Democratic Republic—12 years. In Poland and Yugoslavia, where there are many family farms, the building of the foundations of socialism is still under way.

It should be emphasised that the transition period does not represent an independent socio-economic formation. It is a period of the revolutionary replacement of capitalism by socialism. No country can bypass this stage even under the most favourable domestic and international conditions for the building of socialism.

CHAPTER IV

The General Laws and Specific Features of the Transition Period

What is meant by the general laws governing the period of transition from capitalism to socialism, is certain basic revolutionary changes which must be carried out by the country that has embarked on the road of socialism. The point is that the content of the proletarian revolution and the objective conditions of the transition period are the same for all countries. For those countries which have entered this period of transition the aim and the ultimate result of revolutionary changes are the same, namely the building of socialism. And for all countries, the leading social force in carrying out these changes is the working class led by a Marxist-Leninist party.

The fundamental theoretical principles regarding the general laws governing socialist changes in the transition period were formulated by the founders of scientific socialism, Marx and Engels. Later, these principles were creatively developed and concretised by Lenin who took into account the conditions of the imperialist stage of capitalism and the experience of socialist construction in Russia. At present, Marxism-Leninism is being further developed, enriched by new theoretical principles jointly worked out by the Soviet Communist Party and the fraternal parties.

"When the Marxist-Leninist classics, lifting the curtain of time, charted the contours of socialism and communism," said Leonid Brezhnev, General Secretary of the CPSU Central Committee, Chairman of the Presidium of the USSR Supreme Soviet, "they were extremely careful. Not a grain of utopia. No flights of fantasy. Only what could be scientifically proved: the basic trends of development, the main fundamental characteristics. Theoretically it was clear that the transition from capitalism to communism would embrace a long historical period, that the new society would rise from one stage of maturity to the next. But no one could tell in advance what concretely these stages would be."¹ According to the Marxist-Leninist theory the general laws of transition from capitalism to socialism are as follows:

One, fulfillment of the leading role in society by the working class, with the Marxist-Leninist Party being the vanguard of the working class; implementation of the proletarian revolution in one form or another and establishment of the dictatorship of the proletariat.

¹ L. I. Brezhnev, *A Historic Stage on the Road to Communism*, APN Publishing House, 1977, p. 6.

Two, establishment of an alliance of the working class and the mass of the peasantry and other sections of working people.

Three, abolition of capitalist ownership and establishment of public ownership of the basic means of production.

Four, gradual transformation of agriculture along socialist lines by means of voluntary organisation of cooperative farms.

Five, planned development of the economy for the purpose of building socialism and communism and steady improvement of the living standards of the working people.

Six, implementation of socialist revolution in the sphere of ideology and culture and the fostering of an intelligentsia loyal to the working people and the socialist cause.

Seven, abolition of national oppression and establishment of equality and fraternal friendship between the peoples.

Eight, defence of the gains of the revolution against attacks by internal and external enemies.

Nine, solidarity of the working class of the given country with the working class of other countries—i.e. proletarian internationalism.

These laws have been confirmed by the practice of socialist construction.

That the transition from capitalism to socialism is governed by general laws does not mean that these laws manifest themselves in precisely the same way in all countries. The concrete forms in which these general laws manifest themselves may vary from one country to another, depending on the nature of historical development of the given country which is going over to socialism, on the specific features of its economy, national traditions and culture, on the alignment of class forces inside the

country, and on the international situation and other factors. In other words, the general laws do not exclude historical or national peculiarities with regard to the transition of different countries to socialism. Lenin wrote: "All nations will arrive at socialism—this is inevitable, but all will do so in not exactly the same way, each will contribute something of its own to some form of democracy, to some variety of the dictatorship of the proletariat, to the varying rate of socialist transformations in the different aspects of social life."¹

The experience of the world communist movement has shown that depending on concrete conditions the revolution may be accomplished by different means in different countries, ranging from an armed uprising to the winning of a parliamentary majority and the formation of a government on this basis, which would be able to carry out socialist transformations. All forms of socialist revolution, however, have one common feature, namely the depriving of the capitalist class of political power and the establishment of the dictatorship of the proletariat in one form or another.

Opponents of socialism, the big capitalists, of course, fear the proletarian dictatorship. It is not really surprising that they try to distort its essence in every way and to slander and discredit the power of the working people. We shall discuss the real role of the proletarian dictatorship in the next chapter.

The socialisation of the basic means of production may take place in different ways too. For instance, socialist nationalisation of the means of production may vary from one country to another in form (without compensation or with partial compensation), in

¹ Lenin, *Coll. Works*, Vol. 23, pp. 69-70.

sequence, and in pace. We shall discuss this in greater detail below.

In a word, the specific features of the transition of any given country to socialism have to do with the question "how it is to be done" and not "what is to be done."

The way in which a socialist revolution is carried out in any given country depends on the concrete conditions in that country. In countries embarking on the road of socialist construction after the USSR was formed, the socialist revolution took place in a historical situation that was different from that which existed in Russia, and therefore had its own specific features. The Soviet Union was the first country to carry out socialist transformations; it blazed the trail to socialism. And it did so in conditions of encirclement by hostile capitalist countries which lasted many years. The capitalist world could not reconcile itself to the fact that a big country had emerged where the working people were building a new society, a society which undermined the foundations of the capitalist system. External and internal counter-revolutionaries made numerous attempts to destroy the Soviet state at whatever cost. That was why the establishment of socialist society in the USSR was accompanied by a sharpening of the struggle between the working people and the moribund forces of the old world.

In other socialist countries the revolutions took place after the Second World War (1939-45), when the might of capitalism had been seriously undermined. In that war the Soviet Union shouldered the main burden in routing the chief striking forces of international imperialism—nazi Germany and militarist Japan. Owing to a weakening of world imperialism and the growth of the strength and international prestige of the USSR, favourable

conditions were created for the implementation of socialist transformations in a number of countries in Europe and Asia. The liberation of the peoples of these countries by the Soviet Army from nazi enslavement made it easier for the working people in those countries to take over political power. Thus, the socialist transformations in those countries had their own specific features though they were governed by the general laws of the transition to socialism.

When considering the general laws and specific features of socialist construction in individual countries the latter-day revisionists and dogmatists go to two extremes.

The first of these is reflected in the revisionist theory of "national socialism," according to which it is the specific national features and not general laws that play the decisive role in socialist revolution. Thus, the supporters of this theory maintain that each country should advance to socialism by a path which is determined solely by its specific national features. "National socialism" is a nationalistic theory designed to sow mistrust towards the vast experience gained by the USSR and the other socialist countries in socialist construction.

The other extreme is seen in the attempts by some dogmatists, under the cover of revolutionary phraseology, to deny that there can be any specific features with regard to socialist revolution in different countries. They hold that revolutionary transformations should be carried out and socialism be built in accordance with certain unalterable models, in one and the same form and even with the use of the same methods. Such a dogmatic approach would paralyse the revolutionary efforts and initiative of the masses and turn revolutionary parties into organisations of slogan-mongers who prefer

to ignore the differences in historical and national conditions in different countries.

Marxism-Leninism requires that we creatively apply the general laws of socialist revolution taking into account the internal and international situation, and that we apply the general laws to the specific features of individual countries. Only this can ensure the successful implementation of socialist revolution and of socialist transformations.

Lenin warned against the ignoring of the specific conditions in individual countries and criticised attempts to solve the problems of socialist conditions in accordance with hard and fast rules. He wrote: "The task consists in learning to apply the general and basic principles of communism to the *specific relations* between classes and parties, to the *specific features* in the objective development towards communism, which are different in each country..."¹

Lenin regarded the ignoring of the general laws of transition to socialism as an equally serious mistake. He pointed out more than half a century ago that some of the main features of the socialist revolution which took place in Russia in October 1917 had "a significance that is not local, or peculiarly national, or Russian alone, but international."²

A creative application of the general laws of transition to socialism in a concrete historical situation means consideration of the peculiarities of such a transition in the given country as regards the methods, pace and time for carrying out socialist changes and the order in which the different tasks of socialist construction are to be implemented. As was pointed out at the 25th CPSU Congress in 1976,

¹ Lenin, *Coll. Works*, Vol. 31, p. 89.

² *Ibid.*, p. 21.

"a deep understanding of general laws, and reliance on them, in combination with a creative approach and with consideration for the concrete conditions in each separate country, have been and remain the inalienable and distinctive feature of a Marxist-Leninist."

CHAPTER V

The Role of the Dictatorship of the Proletariat in the Transition Period

According to the Marxist-Leninist doctrine the question of political power is the fundamental question in any revolution. Even the class that has achieved economic domination in society cannot make full use of its position unless it has secured state power. Only then can this class turn into a politically dominant class, become the master of the means of production and pursue an economic policy which promotes its interests. The conquest of power is all the more important for the working people since they do not own the means of production. It is only after they have established their dictatorship and their leadership in society that they are in a position to become masters of the basic means of production.

Marx had considered the possibility of establishing the power of the working people in the form of a dictatorship of the proletariat during the period of transition from capitalism to socialism. He wrote: "Between capitalist and communist society lies the period of the revolutionary transformation of the one into the other. Corresponding to this is also a political transition period in which the state can be nothing but the *revolutionary dictatorship of the proletariat*."¹ Life itself has confirmed these words; the experience of the socialist countries proves this.

Proletarian dictatorship is a fundamentally new form of power. The history of human society shows that in all the pre-socialist socio-economic formations state power served, and continues to serve, as an instrument for the defence of the interests of the propertied minority, as an instrument for the suppression of the exploited majority. In other words, over a long period of time in the history of mankind the state has been an instrument for maintaining the domination of one class over another.

As distinguished from all preceding forms of state power proletarian dictatorship expresses the vital interests of the working people, i.e. the mass of the population. The supreme principle of this form of power is the alliance of the working class and the peasantry and other working people. Thus, the socialist state is an instrument for the suppression of the exploiters who make up a very small minority of the population.

As distinguished from all preceding types of state power, however, the essence of proletarian dictatorship does not lie in coercion, but in guiding the working people in the building of the new society.

¹ Marx and Engels, *Sel. Works*, Moscow, Progress Publishers, 1970, Vol. 3, p. 26.

The aim of proletarian dictatorship is to do away with antagonistic classes, eliminating not only the exploitation of man by man, but also its causes. This aim, which affects the vital interests of all classes of society, can be attained only if the working class, having become the ruling class, succeeds in freeing the non-proletarian working masses from the influence of the bourgeoisie, strengthens its alliance with these masses and draws them into the building of socialism. Lenin wrote: "What is needed to enable the proletariat to *lead* the peasants and the petty-bourgeois groups in general is the dictatorship of the proletariat, the rule of one class, its strength of organisation and discipline, its centralised power based on all the achievements of the culture, science and technology of capitalism, its proletarian affinity to the mentality of every working man, its prestige with the disunited, less developed working people in the countryside or in petty industry, who are less firm in politics."¹

Thus, proletarian dictatorship plays a particularly important role in the sphere of economy owing to the nature of socialist revolution. All preceding revolutions performed mainly a destructive function, that is, their purpose was to abolish the outdated social order.² The main task of a socialist revolution, along with the abolition of the old order, is to carry out constructive work, for socialist revolution begins without there being a socialist basis. The task of this revolution is precisely to create this basis.

The entire economic and organisational activity of the working class, in alliance with the working

¹ Lenin, *Coll. Works*, Vol. 29, p. 389.

² Bourgeois revolutions did not change the nature of state power, which as before remained in the hands of the exploiting class.

masses, is conducted under the guidance of the socialist state. To mould new relations of production the state not only exercises political power, but also takes advantage of the key positions it holds in the economy.

Having become the owner of the basic means of production the proletarian state participates in socialist construction as a powerful economic force. No bourgeois state has ever wielded, or can wield such economic power, because the decisive means of production are owned by individual capitalists or groups of capitalists and not by the bourgeois state.

The form of proletarian dictatorship may be different in different countries. In the Soviet Union state power is vested in the Soviets (councils). This form of state power, created by the revolutionary masses, corresponded most fully to the complex situation in which the building of a socialist society began in Russia. Lenin described the Soviets as a new type of state, as a new, higher type of democracy, and as a means of running the state by the working people themselves.

The Soviets are the first form of state authority in the world which functions in the interests of the broad masses of working people. For the first time in history democracy serves the working people and ceases to be a democracy for the rich minority. The establishment and strengthening of Soviet power as a form of dictatorship of the proletariat ensured freedom and democracy for the great majority of working people, a kind of democracy which did not and could not exist in any capitalist country. Lenin believed that with the development of socialist revolution on a world scale different forms of proletarian state might appear. He wrote: "The transition from capitalism to communism is certainly

bound to yield a tremendous abundance and variety of political forms, but the essence will inevitably be the same: *the dictatorship of the proletariat.*"¹

In a number of socialist countries, which emerged after the Second World War, proletarian dictatorship has been established in the form of people's democracy.

The People's Democracy reflects the specific features of the development of a socialist revolution at a time when the general crisis of capitalism becomes more acute, as well as the historical and national peculiarities of individual countries which have chosen the socialist path of development. The states of People's Democracy differ from the Republic of Soviets in some respects, but the distinctions are not of a fundamental nature and have to do only with certain aspects of the political organisation of society. As a form of state the People's Democracy is characteristic of a number of East European socialist countries, including Bulgaria, Hungary, the German Democratic Republic, Poland, Romania, and Czechoslovakia. The People's Democracy, as a form of proletarian dictatorship, in these countries is characterised by a number of specific features which differ from those of Soviet power in Russia. These features can be summed up as follows:

- gradual elimination of the machinery of the bourgeois-landowner state;
- the existence of several political parties and of anti-fascist popular fronts which emerged in the general democratic stage of the revolution;
- preservation of some of the old parliamentary institutions;
- a lesser degree of coercion as compared to the dictatorship of the proletariat in Soviet Russia.

¹ Lenin, *Coll. Works*, Vol. 25, p. 413.

Specific forms of state authority and social system have been established and are being established in some Asian countries where conditions differ greatly from those of Eastern Europe. Complex social processes and major revolutionary changes have taken place in China, Korea, and Vietnam. Besides economic backwardness and vestiges of feudalism, colonial dependence was the main obstacle on their way to liberation. As a result, the anti-imperialist, anti-feudal and general democratic tasks facing those countries were much more complex than those for the European socialist countries. The formation of a people's democratic state in these Asian countries proceeded in the specific conditions of revolutionary national-liberation struggle and civil war. The involvement in the revolution of many millions of peasants and of petty-bourgeois elements, the fact that the working class was numerically weak, economic backwardness and a number of other factors left their imprint on the character of revolutionary changes. Thus, for example, special relationships with the national bourgeoisie had to be established and the general laws of building socialism had to be applied with extreme care.

The dictatorship of the proletariat, irrespective of the form it may take, is the instrument with the help of which the working people eradicate capitalist exploitation and national oppression and carry out economic and hence also social and cultural changes.

Here another important point should be noted. In their attempt to distort the essence of the Marxist-Leninist doctrine on the transition period, many defenders of capitalism allege that Marxism-Leninism envisages only the use of coercion with regard to the owners of the means of production, excluding any compromise solutions.

This is not true. The working class is interested in a peaceful development of the revolution and a peaceful transition from capitalism to socialism. Jean Jacques Rousseau, the great French thinker and spiritual father of the French bourgeois revolution of 1789-94, said that private property lay at the root of all human misfortune. More than a hundred years ago, Engels, when considering the possibility of peaceful abolition of private property, wrote: "It is to be desired that this could happen, and Communists certainly would be the last to resist it."¹

Marx noted that under certain historical circumstances it might prove more expedient and advantageous for the working class, after taking political power into its hands, to pay off the bourgeoisie and thus paralyse its resistance to socialist changes.

In developing this proposition Lenin arrived at the conclusion that to expedite the transition to socialism and to avoid disruption of social production it would be advisable to pay the capitalists well, provided the latter would be willing peacefully and in a civilised manner to accept the new power and to come over to socialism on terms of compensation.²

A peaceful way to socialism makes it possible to preserve material values and also many lives, and this, according to Lenin, "would have been the easiest and the most advantageous course for the people."³ The choice of ways to build the new society, however, does not depend on the desire of the working class alone. It also depends on the existing correlation of class forces, the degree of resistance on the

¹ Marx and Engels, *Sel. Works*, Vol. 1, p. 89.

² See Lenin, *Coll. Works*, Vol. 27, p. 345.

³ *Ibid.*, Vol. 25, p. 187.

part of the exploiter classes, and their willingness to yield after realising that resistance is futile.

Experience shows that the exploiter classes more often go to extremes when their position of domination is threatened. The Paris Commune was drowned in blood, with 70,000 people killed, condemned to penal servitude, or imprisoned. Such was the price paid by the Paris proletariat for their attempt to destroy the foundations of the society based on private property and exploitation.

Russia's capitalists and owners of landed estates would not accept the victory of working people in October, 1917, and plunged the country into a civil war. It must be noted that the conquest of power by the working people in the October revolution was practically bloodless. That later the civil war took a toll of many thousands of lives was not the fault of Russia's workers and peasants, who were compelled by domestic and foreign counter-revolution to take up arms.

The enemies of the working class often try to picture it as a carrier of violence. But here a distinction must be made. There is a kind of violence, for example, which is connected with the use of arms, with terror, civil war, and so on. But the period of transition from capitalism to socialism does not necessarily involve this kind of violence. And then there is another kind of violence, that of a peaceful nature: expropriation or restriction of big private property, deprivation of the exploiter classes of political rights or limitation of these rights, measures for compelling these classes to work, and so on. This kind of *peaceful violence* is unavoidable during the period of transition. It would be naive to think that the overthrown classes would voluntarily and unquestionably accept a new social order and give up their wealth and privileges. Moreover,

this is violence applied by the overwhelming majority, the working people, against the exploiter minority.

But even peaceful violence, let alone non-peaceful violence, is not the main feature of proletarian dictatorship. "The dictatorship of the proletariat is not only the use of force against the exploiters, and not even mainly the use of force,"¹ Lenin stressed. The main function of the dictatorship of the proletariat is to create a new society.

There is one other specific feature of proletarian dictatorship which should be mentioned. It is well known from history that any exploiter class, after it had seized state power, used every means at its disposal to strengthen and perpetuate its rule. That was true of the slave owners and the feudal lords, and the same is true of the bourgeoisie. It is significant that "The Declaration of the Rights of Man" which was adopted in 1789 in France and became the main document of the bourgeois revolution, had nothing to say about the nationalities question. Revolutionary France, while defending herself from royalist Europe, spared no effort to keep her overseas possessions and continued to exploit the subjugated people in America, Asia and Africa. Thus, the bourgeoisie did not want to share its power with any other class.

Things are different with the working class. Even during the transition period it manages the affairs of society in alliance with other working people. With the victory of socialism the state, which emerged in the form of proletarian dictatorship, gradually develops into a state of the whole people expressing the will of the working class, the peasants and

¹ Lenin, *Coll. Works*, Vol. 29, p. 419.

the intelligentsia, of working people of all nations and nationalities of the country.

Describing the dictatorship of the proletariat as a specific form of class alliance between the proletarian vanguard of the working people and its numerous non-proletarian strata, Lenin pointed out that this alliance, this type of a state is formed "for the final establishment and consolidation of socialism,"¹ or, in other words, for a certain historical period—the period of transition from capitalism to socialism. Indeed, the Soviet experience has confirmed that with the elimination of the exploiter classes and with the victory of socialism, in conditions in which the social homogeneity of society grows and its ideological and political unity becomes stronger, the dictatorship of the working class fulfils its functions and ceases to be necessary.

CHAPTER VI

Taking Over the Key Sectors of the Economy

The conquest of political power by the working people in a socialist revolution does not by itself establish socialism because the major economic levers remain in the hands of the propertied classes.

¹ Lenin, *Coll. Works*, Vol. 29, p. 381.

The working people have to become owners of the basic means of production, in other words, they have to take over the key sectors of the economy. This occurs in the course of nationalisation of the basic means of production, i.e. through the expropriation of these means from the propertied classes and their transfer to the people.

Experience has shown that the key economic sectors should be nationalised immediately after the working class has taken over political power. This is dictated by the following circumstances.

First, the means of production have acquired a social character while still under capitalism, and this makes it necessary to manage them on a nationwide scale.

It should be pointed out, however, that not all the means of production reach such a level of development. A large part of these is owned by small-scale commodity producers, including peasants, handicraftsmen and artisans. Such means of production cannot be nationalised and turned into national property.

Second, to deprive the big capitalists of political power is not the whole task; it is just as important to deprive them of economic power. Thus, nationalisation undermines the economic basis of monopoly domination.

Third, nationalisation is a necessary step in laying the economic foundation of proletarian dictatorship established as a result of the socialist revolution.

The experience of socialist construction has shown that the basic forms and methods of nationalisation are as follows:

(1) confiscation, i.e. expropriation of all the means of production from the exploiter classes without compensation;

(2) buying of the means of production by paying to the owners the cost of the nationalised property;

(3) gradual transformation of capitalist ownership of the means of production into socialist ownership through various forms of state capitalism.

It is obvious that the application of one or another method is determined by the concrete historical conditions in which the socialist revolution takes place, that is, by the level of development of the productive forces in the given country and the alignment of class forces inside the country and in the international arena. Though the conditions, methods and pace of nationalisation may differ in different countries, its content is always the same—the abolition of capitalist ownership and the establishment of socialist ownership.

For example, Soviet Russia, immediately after the revolution and without compensation, nationalised big industrial enterprises, banks, the basic means of transport and foreign trade. Initially a special decree of the Soviet government provided for the payment of interest to certain categories of capitalists in the form of funds, dividends and share of nationalised enterprises. The capitalists, however, who did not believe that Soviet power would last long, from the very start actively opposed the new government. This demanded quick and effective retaliation on the part of the proletarian dictatorship. That was why the basic means of production were nationalised in the main within a brief historical period through the confiscation of private property.

In the first days following the Great October Socialist Revolution the state took over the big industrial enterprises. In December, 1917, the banks became national property. They were thus turned from an instrument of monopoly domination into an in-

strument of control over the economy by the state of workers and peasants.

In early 1918, the railways, means of communication, the merchant marine and the inland waterway fleet became the property of the socialist state. The establishment of state monopoly of foreign trade was of exceptional importance. The law forbade private individuals to enter into commercial transactions with foreign firms. All foreign trade was conducted by the state.

Nationalisation of capitalist property was of foremost importance, for it removed the basic contradiction of capitalism, the contradiction between socialised production and capitalistic appropriation.

In the latter half of the 1940's a different situation existed in a number of East European countries. After the nazi invaders were driven out and the working masses became active in the political life of their countries, the bourgeoisie could not openly sabotage the measures taken by the revolutionary governments. First, these countries nationalised (without compensation) the industries and the property of the companies which belonged to the citizens of nazi Germany, Italy and Japan and to persons who collaborated with these states. The property that belonged to member-countries of the anti-Hitler coalition was nationalised with compensation. After that a number of the privately owned large banks (mostly those which were in the hands of reactionaries) were taken over by the state which at the same time introduced measures to limit the activities of private enterprises. With time the medium-sized and small enterprises were socialised (some with partial compensation).

In the socialist countries of Asia the nationalisation of the basic means of production was also characterised by certain specific features. For instance,

in North Korea practically the entire industry formerly belonged to the Japanese, and thus it was nationalised without compensation. In Mongolia, at the time when the people took over power the country had no industry at all. It had to be built from scratch. In other countries of Asia the socialisation of the key sectors of the economy was carried out by methods and at a pace that differed from those in the USSR and the European socialist countries. The main reason for this was the special position occupied by the national bourgeoisie in the former colonies and semi-colonies. Most of the national bourgeoisie supported the national liberation stage of the revolution.

Thus, in China (until the end of the 1950's) socialisation of the economy was carried out through: (a) nationalisation without compensation of the enterprises belonging to the compradore bourgeoisie and the foreign monopolies (in Vietnam, in accordance with the Geneva Agreements, some of the enterprises that belonged to French monopoly capital were bought by the government); and (b) socialisation of the majority of the industrial enterprises belonging to the national bourgeoisie with compensation to the former owners.

In the socialist-oriented developing countries nationalisation of the key industries was carried out by the same methods, but over a longer period of time. In Algeria, for example, the process of nationalisation took place from 1966 to 1968. After nationalising the mining industries the Algerian government nationalised oil and gas companies, the banks and insurance companies and other big industrial enterprises, and took over administration of the country's foreign trade. In 1971, 51 per cent of the stocks of all foreign oil companies, and all natural gas fields and oil pipelines were national-

ised. In early 1978, five subsidiaries of French companies were nationalised. They specialised in industrial and civil construction, road building, mineral prospecting and electrical engineering.

The People's Republic of the Congo carried out its first acts of nationalisation in 1965. By 1971, the state sector had taken over half of all the enterprises in the country. It included the ports, the railways, inland waterway transport, the land, mineral wealth, and the sugar, cement and power industries. In 1973, the government of the People's Republic of the Congo announced the nationalisation of the property belonging to Shell, Texaco, Mobil Oil and other Western oil companies.

In Ethiopia, after the anti-feudal and anti-capitalist revolution of 1975, banks and insurance companies, and more than 70 industrial firms belonging mainly to foreign capital were nationalised.

In the People's Republic of Angola the nationalised enterprises operate on a self-supporting basis. They are managed by workers themselves. The expansion of the state sector and organisation of farm cooperatives form the basis for social and economic development in the period of transition to socialism.

Transition to public ownership of the basic means of production enables the state to take over the most important sectors of the national economy. Following nationalisation the state begins to play a decisive economic role. In addition to the political levers at its disposal, the state gains control over the economic levers; and it uses both for the building of a new society, a society free from all forms of oppression and exploitation.

It should be noted that nationalisation of individual enterprises and even whole economic sectors may be carried out within the framework of the cap-

italist system. But this has nothing in common with socialism since the nationalised means of production do not become public property but remain in the hands of the "aggregate capitalist," i.e. the bourgeois state, and are used in the interests of the capitalist class. These means of production continue to serve as an instrument of exploitation of the working people.

Nationalisation is the first, legal prerequisite for socialisation of production; it is a necessary condition for the transition to socialism. But a country's production facilities become public property only when new production relations are created which ensure control by the working people over the production and distribution of material benefits on a nationwide scale. Lenin wrote: "The difference between socialisation and simple confiscation is that confiscation can be carried out by 'determination' alone, without the ability to calculate and distribute properly, *whereas socialisation cannot be brought about without this ability.*"¹

Under certain historical conditions the dictatorship of the proletariat can utilise state capitalism for socialist socialisation. State capitalism means capitalist enterprises in industry and trade whose functioning is controlled by the working people's state in one or another form. The forms of state capitalism are as follows:

- (1) state-owned enterprises leased to capitalists;
- (2) concessions, i.e. transfer of natural wealth, enterprises, etc., to foreign capitalists for temporary use;
- (3) capitalist enterprises which sell a part of their products to the state on terms provided by a contract;

¹ Lenin, *Coll. Works*, Vol. 27, p. 334.

(4) capitalist enterprises which regularly fulfill orders of the state and use raw materials provided by the state;

(5) mixed state-private enterprises. These are administered by the state, while the former owners receive a certain interest on invested capital over a definite period of time.

When socialist socialisation of production is carried out with the use of state capitalism, it means that capitalist property will be preserved for some time and will be transformed into socialist property gradually and consistently. Lenin clearly stated the positions which the proletariat should take with regard to capitalists after seizure of power. He wrote the following before the Great October Socialist Revolution: "As far as individual capitalists, or even most of the capitalists, are concerned, the proletariat... has no intention of taking 'everything' from them. On the contrary, it intends to put them on useful and honourable jobs—under the control of the workers."¹

State capitalism also makes it possible to utilise in the interests of socialism the technical knowledge and managerial experience of the capitalists; promotes large-scale production; provides an opportunity for the working people to acquire the necessary skills in economic management; furthers the struggle against petty-bourgeois elements and helps establish public control over the production and distribution of material benefits.

Six months after the October Revolution, Lenin wrote: "If in approximately six months' time state capitalism became established in our Republic, this would be a great success and a sure guarantee that within a year socialism will have gained a perma-

¹ Lenin, *Coll. Works*, Vol. 24, p. 429.

nently firm hold and will have become invincible in our country." ¹

Thus, immediately after the Great October Socialist Revolution the Soviet government responded favourably to the wish of groups of capitalists to cooperate with it in organising production.

It is important to distinguish between state capitalism in a capitalist state and state capitalism in a state where the working people have taken power into their hands. In the former case state capitalism is used by the state in the interests of the capitalist class; in the latter case it is used by the state in the interests of the broad masses of working people, for the building of socialist society.

Thus, nationalisation of the basic means of production is a vital law of the transition to socialism. The main difficulty of socialist socialisation in Russia after the 1917 October Revolution was the need to create a completely new system of management of social production.

The working people who came to power lacked the knowledge and skill in organisation and management of production. That is why the Soviet government, before nationalising the country's industries, carried out a series of preparatory measures. The first preparatory measure was the introduction at private enterprises of *workers' control* over the production and distribution of goods. Workers' control, in the form of factory committees, existed and was widely practiced in Russia even before the October Socialist Revolution. But then the factory committees were an instrument used by the workers in their fight for power, for exercising control over the operations of the enterprises which belonged to the capitalists. After the revolution the factory commit-

¹ Lenin, *Coll. Works*, Vol. 27, pp. 334-335.

tees became a means of preparing for the nationalisation of industry.

On the basis of the Draft Regulations on Workers' Control drawn up by Lenin at the end of November, 1917, the Soviet government issued a decree on introducing workers' control at all the big capitalist enterprises. As workers' control bodies the factory committees were given extensive powers. They actively intervened in all spheres of work of the enterprises. The entrepreneurs were obliged to carry out all the decisions of the workers' control bodies.

The workers' control bodies functioned in conditions of bitter class struggle. The capitalists, for instance, would hide and secretly distribute those commodities that were in short supply; they provoked conflicts between themselves and workers and closed down factories allegedly because of raw material shortages.

But nevertheless the system of workers' control proved effective. It encouraged initiative and creative activity on the part of the working people and helped train them in industrial management. Workers' committees got production started at enterprises that had been closed down or abandoned by their owners, prevented plunder and destruction of equipment, and organised the supply of raw materials and fuel to factories and plants.

The workers' control bodies became a school where working people acquired managerial skill through practice. It should be noted that workers' control was not a strictly socialist measure, but it was an important step in preparation for the building of socialism. The Soviet experience in the organisation of workers' control at privately owned enterprises was later borrowed by other countries.

In Algeria, for instance, elected assemblies of workers take an active part in all spheres of production, including management. People's control effected by factory workers and office employees is designed to protect state property against plunder and to combat wastefulness and administrative arbitrariness.

CHAPTER VII

Revolutionary Agrarian Transformations

In the above discussion of the nationalisation of the basic means of production, reference is made chiefly to capitalist property in industry. But in practically every capitalist country, in addition to this type of property, there are big landed estates owned by landlords and, connected with this form of ownership, feudal and semi-feudal forms of exploitation. Such landed estates are, as a rule, abolished through agrarian reforms. These reforms cement the alliance between the working class and the working peasantry; they help unite them for the overthrow of the power of the capitalists and landlords and for carrying out the transition to the building of socialism. Thus, landlord ownership and big capitalist ownership of land is abolished and the

land is handed over to the peasants. The feudal forms of land tenure are also abolished.

Agrarian reforms eliminate the economic basis of the landlords, the ally of the big bourgeoisie. They sharply undermine the positions of the big bourgeoisie by abolishing land ownership by the monopolies and taking away from it surplus land. In the Soviet Republic, for instance, about twenty million hectares of land were confiscated from the big capitalists under the agrarian reforms. More than fifty million hectares of surplus land were confiscated from the middle rural bourgeoisie (*the kulaks*—rich peasants) and handed over to the poor peasants.

Agrarian reforms draw the bulk of the peasants into political struggle; they create conditions in which the revolutionary energy of the peasant masses can be put to use in the building of socialism. The reforms also pave the way for establishing new economic relations between socialist industry and agriculture, between town and country, and these relations in turn facilitate the movement towards socialism.

Agrarian reforms are usually introduced under the slogan "Land to those who till it." The way, however, in which this slogan is put into effect, i.e. the actual agrarian policy pursued by the government, depends on many circumstances. Among these are the level of development of the productive forces in the countryside in the given country, its traditions, the economic position of the peasantry and its outlook and psychology.

In general, two types of agrarian reform are possible: (a) complete nationalisation of land (sometimes with partial compensation); in this case the whole of the people—the state—is the owner of the land, and the peasants use it on a gratis basis;

(b) partial nationalisation (or division of the land); in this case the state owns only part of the cultivated land, the bulk of the land being given to the peasants who become its owners.

In order to carry out socialist transformations quickly, as Lenin had repeatedly pointed out, the most effective measure is nationalisation of all the land. However, in countries where the tradition of private ownership of land is strong this measure will not win the support of the peasants. In such countries only partial nationalisation is carried out, private ownership of land by the peasants being retained. Both nationalisation and division of land are important intermediate steps in the effort to implement socialist transformations in agriculture. Without such steps transition to socialism is impossible.

Whether a country should carry out nationalisation or division of land wholly depends on concrete conditions prevailing in that country, on the form of ownership of land that enjoys the support of the peasant majority.

In the USSR and the Mongolian People's Republic, where among the peasants there was no strong tradition of private ownership of land, all the land was nationalised. A large part of this land was transferred to the peasants for perpetual use and free of charge.

In the other countries which embarked on the socialist road, the land question was solved in a somewhat different way. There only the big landed estates and unused lands were nationalised. As to the bulk of the cultivated land, it was handed over to the peasants and became their private property.

In whatever way they were carried out, agrarian reforms led to the abolition of capitalist forms of exploitation, undermined the material foundation of

capitalist relations, and strengthened the alliance between the working class and the peasantry.

The following figures give an idea of the scope of agrarian transformations in the socialist countries. Following nationalisation of land in the USSR the peasants received an additional 150 million hectares of land free of charge. Under the agrarian reform in Bulgaria an additional 140,000 hectares of land were handed over to the peasants. In Hungary more than three million hectares of land were nationalised, the bulk of this land being turned over to the peasants. In the German Democratic Republic more than two million hectares of land which had belonged to the landlords were transferred to landless peasants, to peasants with small plots of land and to farm labourers. In Poland the peasants received more than six million hectares of land, in Romania—more than one million hectares and in the Korean People's Democratic Republic—more than one million hectares.

The socialist-oriented developing countries are also carrying out radical agrarian reforms. In Algeria, for instance, by 1970, the peasants had received about three million hectares of land which were mainly expropriated from foreign capitalists. The next step was to limit the land holdings of the Algerian bourgeoisie. The landed estates of the local landowners were decreased, and the owners were given compensation. On lands that have been nationalised and that have been transferred to the peasants producer cooperatives have been organised. Agrarian transformations in Algeria are still under way.

Revolutionary measures taken by the dictatorship of the proletariat in town and country radically change the system of economic relations in society. Socialist relations of production emerge,

while monopoly capitalism and survivals of feudalism are abolished. The possibilities for exploitation by the bourgeoisie are severely limited. The individual peasant farm based on personal (non-hired) labour is strengthened. The outcome of all this is the creation of an economy of the period of transition from capitalism to socialism. This economy is characterised by the coexistence of different socio-economic structures, i.e. different forms of social economy, and the corresponding social classes.

CHAPTER VIII

Socio-Economic Structures and Classes in the Transition Period

The economy of a country in the period of transition from capitalism to socialism combines elements of capitalism and socialism. Thus, it is characterised by the presence of different forms of socio-economic structures and classes.

Historical experience shows that in any country going over from capitalism to socialism there exist at least three main types of social economy (or socio-economic structures), namely the socialist, capitalist and small-scale commodity structures.

The socialist structure includes all the nationalised industrial and agricultural enterprises, transport, banks, trade and cooperative enterprises. It is based on public property, i.e. state and cooperative property, which came into being as a result of nationalisation and organisation of cooperatives. It forms

the socialist sector of the national economy. This structure excludes exploitation of man by man.

At the initial stage of the development of the revolution the share of the socialist structure in national output varies from one country to another. But whatever the share, it plays a leading role in national production already at this stage of the transition period. The reason for this is that the socialist structure is a more highly organised type of economy characterised by progressive production relations. It comprises the big enterprises and occupies all the key positions in the national economy. And it has the all-round support of the state.

The growth of the share of the socialist structure in the national economy of the USSR from 1920 to 1937 is shown in Figure 1 (in per cent).

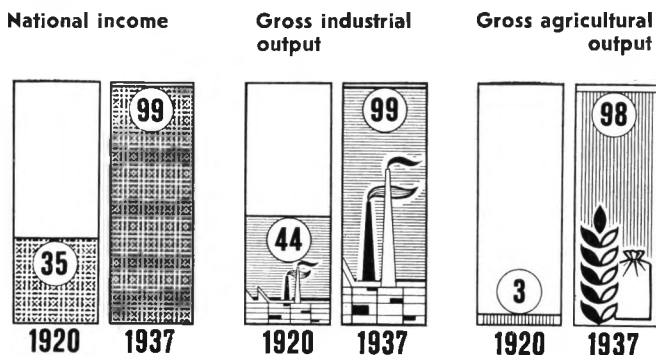


Figure 1. Share of the socialist structure in the national economy of the USSR in 1920-1937

The capitalist structure is based on private ownership of the means of production and exploitation of wage labour. It comprises chiefly enterprises owned by national and foreign entrepreneurs in industry and trade and big farms.

The bourgeoisie remains an exploiter class in the transition period, but having been deprived of political power and the bulk of the means of production it ceases to be the ruling class in economy and politics. At the initial stages of this period, however, the bourgeoisie can still be an influential force since it continues to own considerable financial and material resources.

The small-scale commodity structure consists of individual peasant farms, handicraft workshops and shops of other small producers that do not employ wage (hired) labour. As a rule, before the mass of peasants and handicraftsmen are organised into co-operatives on a voluntary basis, the small-scale commodity structure accounts for a rather large share of the national output.

This structure occupies an intermediate position between the socialist and capitalist structures. Being based on private ownership of the means of production it resembles capitalist production. But unlike the latter, it is built on the personal labour of the owner of the means of production and does not involve exploitation of the labour of others. This brings it closer to socialist production and paves the way for its gradual transformation into socialist production.

In some countries developing along socialist lines, the small-scale commodity structure occupied an important place in the national economy at the initial stage of the transition period. In the Soviet Union, for example, it accounted for 54 per cent of the gross national output in 1923-24.

In addition to these three sectors of the economy there may also be state-capitalist and patriarchal structures.

State capitalism exists in various forms. It is chiefly represented by enterprises which are jointly own-

ed by the state and private individuals, and enterprises which are managed by capitalists (including foreign capitalists) on the basis of contracts concluded with the state. The use of national and foreign capital in economic construction helps advance those sectors of the economy which the state is unable to develop on its own, build up the country's productive forces and thus strengthen its economic independence. When political power is in the hands of the working people, state capitalism does not present a serious threat to them since its activity and development are strictly controlled by the state.

In some of the socialist countries state capitalism is characterised by certain features not found in others. In Russia, for example, state capitalism assumed such forms as foreign concessions, mixed joint stock companies in trade, industry, transport and finance, and lease of state-owned enterprises to private individuals. Relations between the Soviet government and foreign capitalists were based on the recognition by the latter of the sovereignty of the Soviet state, of its right to nationalise industry, land, and transport, and to establish state monopoly of foreign trade, and on the recognition of Soviet laws on labour and social security and the Soviet tariff and customs policy. In Soviet Russia state capitalism however, did not develop to any considerable extent, for the capitalists, seeking to destroy Soviet power by force and restore the old order, did not wish to enter into economic relations with the socialist state.

State capitalism had also existed in a number of countries which later built socialism. There it also emerged owing to the multi-structural character of the economy, and to the need to overcome the petty-bourgeois elements typical of the capitalist system. But because of the specific features of the people's democratic revolution in these countries, the func-

tioning of state capitalism there was essentially different from that in the USSR. These countries were given all-round and disinterested assistance by the Soviet Union which enabled them to transform their economies without seeking foreign capital. Thus, as distinguished from the Soviet Union, the various forms of state capitalism in these socialist countries were based on agreements with national private capital.

State capitalism was somewhat more extensively developed in such socialist countries as the People's Republic of China and the Socialist Republic of Vietnam. There the following forms of state capitalism were found: purchasing by the state of products put out by private entrepreneurs at prices fixed by the state; manufacture by private entrepreneurs of products from raw materials and semi-finished products supplied by the state and sale of these products to state organisations; organisation of mixed state-private enterprises in which the leading role is played by the state. This last form was also found in the German Democratic Republic.

Mixed state-private enterprises represent the highest form of state capitalism. It enables the state to exert a direct influence on the sphere of capitalist production, to keep it under control and also radically to change it so as to eliminate capitalist relations of production in the country altogether.

The mixed state-private enterprises which existed in several socialist countries differed from those in the USSR. In these countries the emergence of mixed state-private enterprises marked a stage in the gradual transformation of capitalist economy. In the Soviet Union such enterprises were joint stock companies formed with the aim of attracting foreign capital for buying Soviet export commodities in the country and selling them abroad, and also for im-

porting into the country equipment needed to rehabilitate the war-ravaged economy.

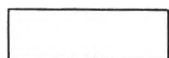
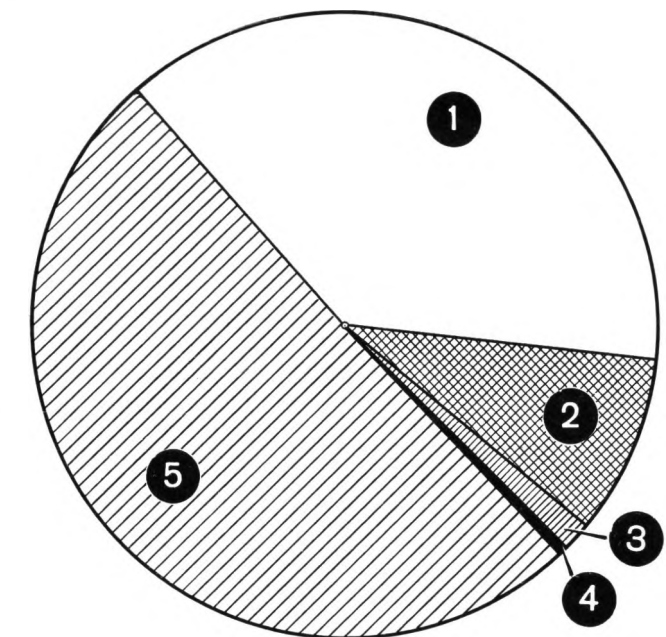
In most of the European socialist countries state capitalism assumed different forms in the early period of the people's democratic revolution (until 1949), when democratic changes were being introduced in the economies. These forms enabled the state to control and to regulate the activities of private entrepreneurs. However, owing to the fact that at the early stage of the revolution the national bourgeoisie offered serious resistance to socio-economic transformations and later at the socialist stage resorted to sabotage and struggle against the new system, it was necessary to increase the rate of nationalisation of industry, and as a result state capitalism ceased to exist.

All these forms of state capitalism are also found in the socialist-oriented developing countries.

As said earlier, in some countries in the transition period the *patriarchal structure* (or subsistence economy) may also exist. It comprises small individual farms which practically have no ties with the market as they consume all that they produce.

Actually the subsistence economy resembles small-scale commodity production. Both are characterised by small output, private ownership of the means of production, absence of exploitation of hired labour and the fact that the products are chiefly intended for the use of the producer and his family.

The number of socio-economic structures in a country's economy may vary and the share of each in the national economy may differ depending on the concrete historical and national characteristics of that country's development. For example, all the five socio-economic structures discussed above existed in the Soviet Union in 1923-24 (Figure 2).



- 1 — socialist structure (38.5%)
- 2 — capitalist structure (8.9%)
- 3 — state-capitalist structure (1%)
- 4 — subsistence economy (0.6%)
- 5 — small-scale commodity structure (51%)

Figure 2. Share of socio-economic structures in the national economic output of the USSR in 1923-24

Thus, in 1923-24 small-scale commodity production predominated in the Soviet Union; state capitalism was little developed and subsistence economy played almost no role at all in the national economy. The existence of five socio-economic structures was due to the economic backwardness of tsarist Russia, the fact that Russia was mainly an agricultural country, and the growth of small-scale commodity production in the early years after the Great October Socialist Revolution as a result of the nationalisation of land and its transfer to the peasants for their use.

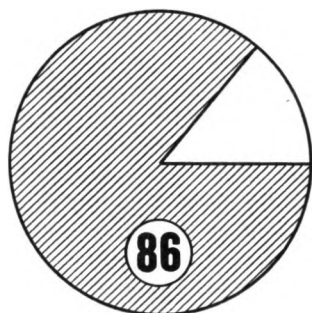
In most of the European socialist countries there were three main socio-economic structures in the period of transition, namely the socialist, capitalist and small-scale commodity structures. In the GDR, however, state capitalism was developed on a considerable scale. The patriarchal structure (subsistence economy) played a far greater role in Albania, Mongolia and the Socialist Republic of Vietnam than in the Soviet Union. In China all five socio-economic structures existed.

During the period of transition the share of the socialist sector in national industrial output also varied from one country to another (Figure 3).

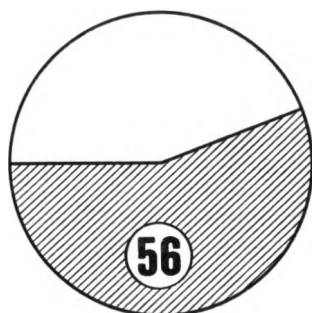
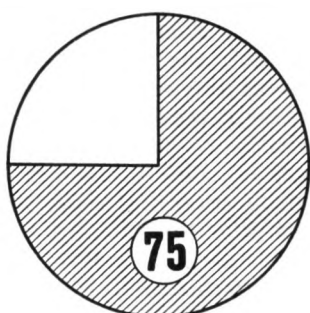
The class structure of society in the transition period corresponds to the multi-structural character of the economy.

Classes are large groups of people distinguished from one another by their relation to the means of production, by the role they play in the social organisation of labour and by the methods they use for obtaining a share of the social wealth and the size of the share. Generally speaking, the class structure of the transition period is as follows. The socialist structure is represented by the working class, cooperated farmers (peasants) and handicraftsmen;

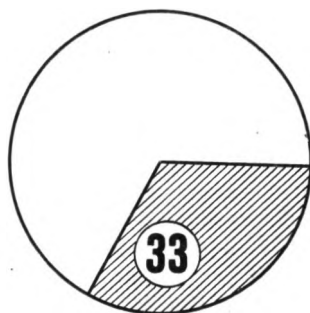
Poland



Czechoslovakia



Hungary



Bulgaria

Figure 3. Share of the socialist sector in the industrial output of Poland, Czechoslovakia, Hungary and Bulgaria in 1946 [in per cent]

the small-scale commodity structure (and in some countries, the patriarchal structure), by peasants and handicraftsmen; and the capitalist structure and the state-capitalist structure, by the bourgeoisie.

The multi-structural economy of the transition period differs radically from the economy of capitalist society. The chief distinctions are as follows.

First, the economy of the transition period includes the socialist structure which does not exist under capitalism. Moreover, the socialist structure, whatever its share in the national output, plays the leading role in the national economy. This is explained by several factors, the most important being the fact that the socialist sector occupies the key positions in the economy, that it is based on large-scale machine industry and employs the mass of the skilled workers and specialists in the country. These factors ensure a higher level of productivity as compared to that in the other socio-economic structures, and thus pave the way for the victory of the new social system. In socialist production the relations of production correspond to the productive forces of society. That is why it develops faster than the other structures. And finally, the state of the working people does its utmost to develop and strengthen the socialist sector.

Second, in the transition period the other structures, which are also found under capitalism, play a different role from that under capitalism. Thus, for example, the capitalist structure gradually ceases to be of economic importance. Whereas it predominates under capitalism it plays only a subordinate role during the transition period in which the functioning of private enterprises is regulated by the state of the working people. The same is true of the state-capitalist structure. And moreover, these socio-economic structures have no prospects of further development.

The small-scale commodity structure, whose share in the national economy is often the biggest at the beginning of the transition period, also has no

prospects of development. And its role in a socialist economy likewise differs from that in a capitalist economy. Under capitalism the mass of small-scale commodity producers are often ruined while a few grow rich. In the transition period the mass of small-scale commodity producers achieve a similar, medium level of development. The socialist state uses such economic levers as taxation and credit and legal means to prevent sharp differentiation among them. With time small-scale commodity production goes over to the socialist path of development through the voluntary cooperation of the small producers.

During the transition period the position of the classes which correspond to the different structures also changes. The working class, an oppressed and exploited class under capitalism, becomes the ruling class in the transition period. It is the leader of all working people and directs the development of the country in their interests, i.e. along the road to socialism.

The peasants as a class become stronger economically, being no longer exploited by landowners. As an ally of the working class the peasantry takes part in the administration of the state, and in the fight against the remnants of the exploiter classes and for the establishment of socialist economy.

The bourgeoisie, the ruling class under capitalism, becomes a class of secondary importance in the transition period. It is deprived of political power and of the main part of the means of production. But it retains a certain part of the country's wealth and enjoys a measure of support among the small-scale commodity producers, particularly among the richer peasants.

In the transition period the bourgeoisie and the richer sections of the small-scale commodity produc-

ers form a bloc in the sphere of production and trade which presents the main threat to the carrying out of socialist changes. This bloc can cause disruptions in the national economy and under certain conditions become a basis for those sections of the bourgeoisie that have not abandoned hope for restoring the capitalist system.

At the time when socialist revolution takes place in a country, its production is not completely socialised by capitalism, although some monopolies have concentrated production on a vast scale. This accounts for the existence of a multi-structural economy in the transition period. The capitalist system objectively creates the material conditions for its replacement by the socialist system by imparting a social character to the productive forces. This process develops, however, in different ways in different countries, and especially in different sectors of the national economy and in different geographical regions. Thus, under capitalism besides large-scale production there is invariably medium-sized and small-scale semi-handicraft production.

It is a known fact that under capitalism pre-capitalist forms of economy are preserved to various extent. Being based on exploitation of wage labour, capitalism eliminates only those elements of pre-capitalist relations of production which are an obstacle to capitalist exploitation, such as the dependence of the producer on his land owner, castes and guild restrictions. Other elements of pre-capitalist relations of production, which are essentially similar to capitalist relations, are gradually transformed along capitalist lines. For example, feudal ownership of land undergoes such a change; this may be seen, in particular, in the change of the socio-economic character of land rent, which is turned from a cate-

gory of feudal relations into an economic category of capitalism.¹

Small-scale commodity production does not essentially contradict the system of capitalist exploitation. In the first place, under capitalism it spontaneously develops along capitalist lines. Secondly, small-scale commodity production (as represented by handicraftsmen) is a source of reinforcement of the given country's labour reserves in consequence of the ruin of small producers.

As to subsistence economy, it is sooner or later drawn into market relations and is gradually turned into small-scale commodity production.

The various socio-economic structures of the transition period form an economic entity and closely interact with one another. It should be noted that they encompass all the productive forces of society only in aggregate form. Society is not in a position to transform or abolish old structures overnight and thus do away with the production relations that correspond to the given level of the productive forces.

CHAPTER IX

Contradictions of the Transition Period

The multi-structural economy is of a profoundly contradictory character. The main contradiction of

¹ Under feudalism a tenant who paid land rent to a landowner was personally dependent on the landowner. Under capitalism a capitalist who pays land rent to a landowner is economically independent of the landowner.

the transition period is the contradiction between socialism which is emerging and capitalism which is defeated though not completely destroyed and which has the support of certain elements among the small-scale commodity producers, small-scale commodity production being a breeding ground of capitalism. This contradiction is of an antagonistic character and is resolved only in class struggle. In the course of this struggle, capitalist elements are removed from the economy. That is why acute class struggle is unavoidable in the transition period. As to how sharp this struggle is, the question depends entirely on the kind of resistance to socialist development offered by the moribund capitalist class.

The other contradictions of the transition period are not of an antagonistic character. We shall examine two of these.

The first is the contradiction between the progressive character of political power and the backward material and technical basis. This contradiction is found in countries that have a low level of development of the productive forces. In countries with a very backward economy this contradiction may assume acute forms. The means of resolving this contradiction is socialist industrialisation which ensures rapid development of the productive forces.

The other non-antagonistic contradiction of the multi-structural economy of the transition period is the contradiction between socialised industry and small, scattered peasant farms. During the transition period industry and agriculture develop in conformity with different economic laws: industry develops in accordance with the economic laws of socialism, while agriculture, with the laws of the spontaneous market. This inevitably leads to disproportions in the national economy. Moreover, as said earlier, small-scale commodity production gives rise to capitalist

elements. If no measures are taken to eliminate this contradiction, it may adversely affect the building of socialism. The experience of the USSR and the other socialist countries in the building of socialism has shown that this contradiction is resolved through the organisation of farm cooperatives on a voluntary basis.

The economic policy of the state in the transition period is designed to ensure that the socialist structure occupies a dominant, and not merely a leading, position in the national economy, and to do away with the multi-structural character of the economy. Different countries adopt different measures to accomplish these tasks in the transition period owing to the specific features of their economic and historical development. But although the methods may be different, the aim remains the same, which is to eliminate the capitalist elements, abolish the multi-structural character of the economy and build a socialist society.

The socialist socio-economic formation, unlike the preceding socio-economic formations, cannot coexist with other types of economy over a prolonged period of time. There are several reasons for this.

First, only socialist relations of production can stimulate the development of the productive forces, because they correspond to the latter's socialised character. All the other structures tend to impede the growth and improvement of social production. Thus, in the conditions of a multi-structural economy, social production cannot develop at a rate required by the new socialist society.

Second, with a multi-structural economy socialist relations of production exist only in one sector of the national economy, namely the socialist sector. The other structures, owing to their different eco-

conomic basis, cannot grow into socialist structures or be transformed along socialist lines.

Third, proletarian dictatorship is a fundamentally new type of political superstructure. It is set up before the basis for it is established; and it grows stronger as this basis is being built and consolidated. Until the socialist sector has encompassed the entire national economy, the socio-economic conditions for the restoration of capitalism continue to exist.

According to Marxism-Leninism, economic relations manifest themselves in life as interests of people. The main interest of the working people who have secured political power is in increasing national output and in developing the productive forces for the satisfaction of their needs. The interest of the capitalist class, on the other hand, consists in the drive for profit, and that is why it seeks to preserve the conditions that enable it to exploit wage labour and resist government efforts to carry out socialist changes.

The small-scale commodity producer is in a special position. On the one hand, he is a private owner, while on the other he is a working man. The dual character of his interests causes him sometimes to align himself with the working class and sometimes with the bourgeoisie. Lenin said that "the peasants, like the petty bourgeoisie in general, occupy a half-way, intermediate position *even* under the dictatorship of the proletariat: on the one hand, they are a fairly large (and in backward Russia, a vast) mass of working people, united by the common interest of all working people to emancipate themselves from the landowner and the capitalist; on the other hand, they are disunited small proprietors, property owners and traders." ¹

¹ Lenin, *Coll. Works*, Vol. 30, p. 116.

In the main, however, the interests of the proletariat and the small producers coincide since socialism alone can free them from exploitation and guarantee them rights and material security.

To defeat the bourgeoisie the working class wins over to its side the mass of the working people, the peasants above all. Thus, in the transition period the policy of the state towards the peasants is of great importance. It is necessary, in formulating this policy, to distinguish between the peasant who is a workingman and the peasant who is a private owner. All measures should be taken for encouraging the peasant to work and for combatting his private ownership attitudes.

Thus, even after the working people have taken over power the class struggle does not cease but continues in new forms and is conducted with new means. Five such forms are known: suppression of the resistance of the exploiters, civil war, neutralisation of the petty bourgeoisie, employment of bourgeois specialists in the building of socialism, and the fostering of a new work discipline.

The proletariat in Russia had to resort to all these forms. In the East European socialist countries there was no civil war.

After the overthrow of the bourgeoisie the main task of the working people is to build up the economy, improve production technology, and establish a new labour discipline based on a high level of political consciousness.

In Soviet Russia, the Civil War unleashed by domestic counter-revolution, and military intervention by international imperialism foiled the plans of peaceful construction for some time. The country was turned into a military camp, and a series of emergency measures had to be taken. All the commercial enterprises were nationalised and state mo-

monopoly of trade in bread grain was established, private individuals being forbidden to sell it. There was introduced a system of requisition of bread grain and fodder, and later also of other farm products. Thus, all food and fodder surpluses were appropriated by the state. The Soviet state introduced universal labour conscription based on the principle: "He who does not work, neither shall he eat."

This series of emergency economic measures, known as War Communism, were in force from the latter half of 1918 to the spring of 1921. The result was a curtailment of commodity-money relations and the going over to subsistence economy. The nationalised factories and plants were supplied with all that was needed for their operation free of charge, and they handed over all that they produced to the state without being paid. Working people received strict rations of food and consumer goods free of charge or bought them at very low prices.

The War Communism policy was a forced measure and a temporary one. Under the circumstances it was the only possible and also the most effective policy for defeating the enemies of the revolution. It is not to be regarded as a general law governing the transition period. Thus, for example, in countries where the class struggle did not assume the form of civil war, there had been no need to resort to this policy.

It was only in 1921 that the Soviet state was able once again to turn its attention to solving the problems of socialist construction. The country had suffered immeasurable damage. The big industries, for example, were producing only one-seventh of what they produced before the First World War. Steel output dropped to one-twentieth of the pre-war level. In 1921, per capita output of cotton fabrics was less

than one metre. The transport system functioned irregularly. The country was confronted with a fuel crisis. And agriculture was faced with great difficulties. The mass of the working people experienced tremendous hardships. The numerical strength of the industrial proletariat decreased more than two times compared with the pre-war period. There were several hundred thousand unemployed in the country.

Such were the conditions in which the young Soviet state began to build the material and technical basis of socialism. Obviously it was impossible to carry out the tasks of socialist construction by using the methods of War Communism. The country's economy could not function normally on the basis of purely administrative methods of management. It was necessary to make use of commodity-money relations, to combine administrative methods of management with economic methods. This question acquired special importance in Russia after the revolution, since on a correct solution of this question depended the stability of the worker-peasant alliance.

The peasants were small-scale commodity producers who could not do without a market. But the system of state requisition of surplus farm products introduced in the War Communism period deprived the peasants of material interest in increasing output and raising productivity. It thus became necessary to replace the military and political alliance of the working class and the peasantry established in the period of War Communism with their economic alliance.

To this end a New Economic Policy (NEP) was worked out under Lenin's direction. Essentially what this policy meant was that the capitalist elements were allowed to function within defined limits and on terms advantageous to the Soviet state. The food

surplus requisition system was replaced by a tax in kind. This enabled the peasants to sell on the market surplus farm products after paying their tax in kind.

The basic principles of the New Economic Policy are of international importance, since in any country that has entered the transition period the working class builds socialism in alliance with the peasantry. Such an alliance is impossible unless it rests on a sound economic basis. The New Economic Policy in Soviet Russia paved the way for the building of the material and technical basis of socialism.

"The path of the alliance of the mass of the people," Lenin said, "is the sole path which will ensure that the workers and peasants work for themselves and not for the exploiters. In order to bring this about in our conditions we must have the only possible economic link, the link through the economy."¹

CHAPTER X

The Material and Technical Basis of Socialism

Each socio-economic formation has its own type of material and technical basis which is characterised by the corresponding level of development of the

¹ Lenin, *Coll. Works*, Vol. 33, p. 160.

means of production, the degree of social organisation of production, the state of development of science and the scale of its application in production.

A necessary condition for the triumph of socialism is the building of its material and technical basis.

An important task in the period of transition from capitalism to socialism is to build a material and technical basis that corresponds to the socialist mode of production. Historical experience shows that a social system becomes the dominant system and prevails in the sphere of production only after a material and technical basis which corresponds to it has been established.

The material and technical basis of the socialist system consists of large-scale machine production powered by electricity. But socialism does not inherit in ready form a material and technical basis that corresponds to its nature. It is true, that the capitalist system builds up a large-scale machine industry which is the material pre-condition for socialism. But owing to the contradictions inherent in capitalism, it does not introduce machine production in all the sectors of the national economy. The capitalist is not interested in the development of production for the satisfaction of the needs of society; he is interested in profit. In other words, the capitalist develops production to the extent that it serves his purpose of obtaining maximum profit. Thus, in many economic spheres backward manual production is preserved to various degree.

Marx explained the law that governed machine production under capitalism. He showed that the capitalist would introduce a new machine only if the costs of its operation were lower than the sum of the wages paid to the workers which the new machine was to replace. In many cases production based on

outdated techniques, which were connected with pre-capitalist relations of production, meant lower labour costs. The capitalist, therefore, is not always interested in putting such production on the basis of up-to-date technology.

As a more progressive social system socialism calls for a higher level of production. This means vigorous development of the productive forces inherited from capitalism, a greater degree of socialisation of the productive forces, and reconstruction of production to ensure its most efficient functioning in the interests of society as a whole.

What is a comprehensive definition of the material and technical basis of socialism?

The material and technical basis of socialism is large-scale production based on advanced industrial technology and organised and planned on a nationwide scale. The purpose of such production is fully to satisfy the needs of the working people. Production on a planned basis does not exist in any capitalist country. Thus even the industrially-developed states, when they go over to socialism, must reconstruct their economy on socialist lines. It is only after such reconstruction that the economy can fulfill the function of the material and technical basis of socialism.

In Russia (and in most of the other countries that have embarked on the socialist road) the socialist revolution was carried out in conditions in which the productive forces were at a relatively low level of development. But, as said earlier, socialism is incompatible with technical and economic backwardness. Its material basis consists of modern large-scale machine production. Such a basis is built in the transition period through *socialist industrialisation*.

Industrialisation is a process of developing and building up an industry so that it becomes the main sector of the economy. Socialist industrialisation means intensive development of large-scale machine industry (heavy industry above all, with the engineering industry forming its core), which would make it possible to establish the socialist structure in all the sectors of the economy, build a strong national economy and guarantee the country's economic independence and adequate defences.

In the transition period socialist industrialisation consists of a series of economic and political measures taken by the state for building an industry which is based on advanced equipment and production techniques and which is to equip all the sectors of the economy with machines. Socialist industrialisation is not necessary for countries that already have a highly developed industry by the time the working people take over political power. For these countries the building of the material and technical basis of socialism will be a less arduous task. It will consist in the elimination of certain disproportions in the economy characteristic of capitalism (uneven distribution of industries in the country, technical backwardness of some economic sectors, etc.), and of certain distorted forms of development of technology that have resulted from the pursuit by capitalists of their private, selfish interests.

Socialist industrialisation will also help solve a number of other important problems.

First, it makes possible a steady and rapid growth of productivity.

Second, it alters the structure of the national economy, with large-scale industry beginning to play a key role in the national economy and exerting its influence on all the other sectors. In the course of

socialist industrialisation the optimal proportions in the national economy are established.

Third, it helps to increase the numerical strength and raise the level of organisation of the working class, which is concentrated at large modern factories and plants. This consolidates the political positions of proletarian dictatorship.

Socialist industrialisation differs fundamentally from capitalist industrialisation. First of all it is the outcome of purposeful planned activity on the part of the working people's state.

Furthermore, socialist industrialisation draws on financial resources which are different from those of capitalist industrialisation. Under both systems the financial resources for industrialisation may be divided into internal and external resources. Under capitalism the main internal resources are derived from ruthless exploitation of the working people, and the external resources from the plundering of the colonies and other dependent countries. Great Britain, for instance, obtained the bulk of its financial means for industrialisation through brutal exploitation of the people of its colonial empire. To a certain extent the industrialisation of Belgium and France was accomplished with similar means. Germany's industrialisation was financed largely with the huge indemnities paid by France after the latter's defeat in the Franco-Prussian war in the last third of the 19th century. Tsarist Russia tried to build up a modern industry with the help of foreign loans. This resulted in the control by foreign capital of Russia's key industries and economic sectors, in Russia's increasing dependence on foreign monopolists and in an exacerbation, rather than elimination, of her technological and economic backwardness.

A socialist state, naturally, will not resort to ex-

plottation of the working people in order to obtain funds for industrialisation. In the case of the young Soviet Republic, foreign capitalists refused to grant it loans on reasonable terms. Thus socialist industrialisation in the USSR was accomplished with funds drawn from internal sources of accumulation. The chief sources were:

(a) incomes formerly consumed or accumulated by the parasitic exploiter classes;

(b) taxes on the profits earned by enterprises of the socialist sector;

(c) income taxes imposed on the remaining exploiter classes, and a low income tax on the working people (this source was of secondary importance).

Public ownership of the means of production and planned development of the economy make it possible to carry out socialist industrialisation in a much shorter time than capitalist industrialisation. Great Britain took approximately one hundred years to industrialise itself, i.e. to create a material and technical basis that corresponded to the capitalist mode of production. The United States accomplished the same (mainly thanks to the influx of capital and skilled labour from Europe) in approximately 75 years, and Canada, Australia, New Zealand and the South African Republic, also in about 75 years. In the Soviet Union industrialisation was carried out in two decades.

As a result of industrialisation the USSR was able in a historically short period of time to build such important industries as the tractor-building, automobile manufacturing, chemical and aircraft industries, electrical engineering, machine-tool building, and agricultural machine building industries. Import of machinery dropped considerably. The Soviet Union has thus ensured its economic independence.

And finally, socialist industrialisation differs from

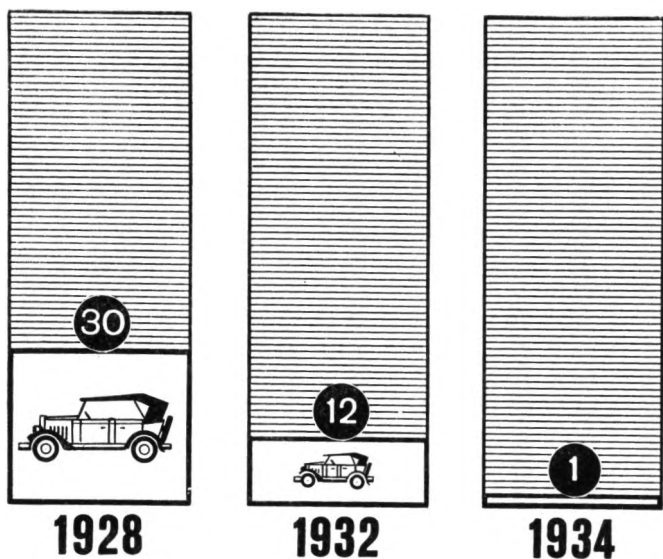


Figure 4. Share of machinery in Soviet imports in 1928-34 [in per cent]

capitalist industrialisation in its socio-economic consequences.

Capitalist industrialisation intensifies the social contrasts typical of the capitalist system and leads to a sharpening of its socio-economic contradictions. This aggravation of contradictions is accompanied by the growth of unemployment, and tends to preserve the technical and economic backwardness of certain sectors of the world capitalist economy. As a result, apart from a small group of industrially

developed imperialist powers many capitalist countries are economically backward.

Socialist industrialisation helps overcome the contradictions of the transition period. Since the goal of socialism is the satisfaction of the needs of all members of society, socialist industrialisation is aimed at improving the living standards of the people, reducing the number of working hours per day and achieving full employment. It is not accidental that the USSR solved the problem of unemployment toward the end of 1930 when it was becoming an advanced industrial country.

Thus, it may be said that socialist industrialisation puts an end to exploitation of man by man and enables formerly backward outlying national areas to do away with their backwardness and achieve social and economic progress. It creates the material basis for a fuller satisfaction of the growing needs of the working people.

Soviet Russia was the first country in the world to carry out socialist industrialisation, and she accomplished this task under the most difficult conditions.

When the Soviet Union began socialist construction the country's productive forces were at a low level of development. The USSR was then the world's only worker and peasant state, and it was surrounded by hostile capitalist countries ready at any moment to impose an economic blockade or even launch another military intervention against it. These circumstances compelled the Soviet republic to overcome its backwardness and to catch up with the capitalist countries in production in the shortest possible time.

The experience gained by the Soviet Union in socialist industrialisation is of tremendous internation-

al importance. Today it is drawn upon by countries which have embarked on the road of independent development, above all by the countries building socialism.

In the other socialist countries industrialisation is characterised by a number of specific features. The most important among them is that these countries do not stand alone in building the material and technical basis of socialism, for a world socialist system has emerged which readily renders them assistance. They do not have to deal with problems posed by capitalist encirclement, as the Soviet republic had to in the process of its industrialisation. Too, the class struggle in these countries was less acute: it did not, for instance, assume the form of civil war.

For the countries that have embarked on the socialist road after the USSR, it has not been necessary to carry out socialist industrialisation at an accelerated rate. Economically and technically they are independent of the capitalist world because they can rely on the industrial might of the entire socialist community; and their defence capability is guaranteed by the Warsaw Treaty of Friendship, Cooperation and Mutual Assistance. To build a highly developed industry they can resort not only to internal but also to external resources. That is, they can help one another through the Council for Mutual Economic Assistance (CMEA), which is the international economic organisation of the socialist countries, and also on the basis of bilateral agreements.

Another important point is that in utilising the advantages arising from socialist international division of labour the countries that have embarked on the socialist road need to build only those industries and economic sectors for the development of which

they have the most favourable conditions (natural resources, historical traditions, etc.).

After carrying out socialist industrialisation the socialist countries made great strides in the development of their productive forces. By 1961, industrial products made up the largest share of the total output of all the socialist countries with the exception of the Socialist Republic of Vietnam.

The following data indicate the rate of industrial development of three CMEA countries—Poland, Hungary, and Czechoslovakia—during the transition period. In fourteen pre-war years (1925-38) the output of the processing industries of Poland showed an increase of 85 per cent, that of Hungary—43 per cent and that of Czechoslovakia—13 per cent. The transition to socialist construction brought about a radical change in the economic development of these countries. In fourteen post-war years (1949-62) the industrial output of Poland increased by 590 per cent, of Czechoslovakia, by 370 per cent and of Hungary, by 360 per cent.

The material and technical basis of socialism differs in character and structure from that inherited from capitalism. It is characterised by a higher level of socialisation of production than that of capitalism. Under socialism large-scale machine production encompasses nearly all the sectors of the national economy; social production is put on a planned basis and is marked by a high and stable growth rate; the sectoral structure and territorial distribution of the productive forces are balanced and rational from the standpoint of the interests of society as a whole.

Socialist industrialisation also provides the material and technical foundation for the reconstruction of agriculture, which we shall consider in the next chapter.

CHAPTER XI

The Establishment of Socialist Agriculture

Socialism is a socio-economic system under which both industry and agriculture are based on public ownership of the means of production and collective work. The establishment of public ownership in agriculture during the transition period is as necessary as in the other sectors of the economy.

One of the most difficult tasks after the working people have taken over power is the reconstruction of agriculture on socialist lines.

Nationalisation of land or division of land among the peasants does not automatically lead to the rise of new production relations in agriculture. To put agriculture on a socialist basis the proletarian state must take further steps.

In the state sector this problem is solved through the organisation of large-scale highly mechanised agricultural enterprises on nationalised land, such as state farms in the USSR and other socialist countries. State farms provide a firm basis for carrying out radical changes in the countryside, while at the same time serving as a model of socialist management in agriculture.

The work of reorganising a large number of small, isolated peasant farms into large mechanised farms is extremely complicated, but necessary. The

spontaneous character of the development of small-scale farming, its low productivity, and the strong traditions of private ownership among the peasants are incompatible with the nature of socialism.

The need for a radical reconstruction of small-scale farming is dictated both by the need to develop the productive forces in agriculture and by the character of production relations in socialist society.

From the standpoint of the growth of the productive forces small farms have no future at all. As a rule, they are capable only of simple reproduction, i.e. of production which regularly repeats itself on an unchangeable scale. Small farms cannot produce enough food for the urban population which continues to grow owing to industrialisation, or meet the raw material needs of the rapidly developing industries.

Another important point is that small farms give rise to trends which are alien to socialism. The economic laws which govern a commodity economy based on private property inevitably lead to the spontaneous emergence of capitalist elements. Though the state curbs this process in the transition period by adopting appropriate legislations and using certain economic levers, this does not solve the problem completely. To eliminate the possibility of the rebirth of capitalist relations of production and to ensure the domination of socialism it is necessary to transform small commodity production into large-scale socialist production.

This is a difficult task. As pointed out earlier, on the one hand, the peasant is a private owner and potentially one who favours capitalist relations while, on the other hand, he is a working person and therefore, a natural ally of the working class. That is why the state cannot pursue, in respect to

the peasant, a policy of expropriation which is legitimate with respect to the bourgeoisie.

In other words, a working people's state cannot have two opposite types of economic basis over a prolonged period of time, namely a large-scale unified industry in town and small-scale private production in the countryside. Such a situation is not viable, for the development and expansion of socialist industry lead to the elimination of capitalist relations of production whereas small farms give rise to such relations. Moreover, industrial growth objectively requires an expanding home market, and small private farms cannot ensure such an expansion. The fact is that small private farms offer limited possibilities for the use of machinery since it is unprofitable to use many of the types of farm machines on small plots. Besides, the majority of the peasants do not have the money to buy such machines.

In his cooperative plan Lenin outlined the ways for solving the problems of socialist construction in the countryside. Lenin's cooperative plan is based on the thesis that with the establishment of the dictatorship of the proletariat and with the basic means of production being owned by the state, cooperatives are a form of organisation which will be most acceptable to the peasants, a form which, therefore, will be most effective for drawing them into the building of socialism.

According to one of the basic principles of socialist cooperation formulated by Lenin, the advantages of collective forms of farming must be explained to the peasants and demonstrated to them in practice. Lenin had repeatedly pointed out that the going over of the peasants to collective farming could be carried out only on a voluntary basis and gradually. The work of socialising agricultural production

should be based on persuasion and the introduction of material incentives, and not on coercive methods. Lenin said that collective farms should be managed strictly on a financially self-supporting basis and that the members of the farms should be remunerated in accordance with the amount and the quality of work done. Such a task cannot be carried out without careful planning. Nor can it be accomplished without struggle against the forces representing the old society and its traditions, without the guidance of the working class and its party.

The state must render organisational, technical and financial aid in the setting up of cooperative farms.

To help the peasants to understand the advantages of producer cooperatives the state first sets up different types of cooperatives in the sphere of exchange such as credit, marketing, supply and consumer cooperatives. By stimulating the personal interests of the peasant as the individual buyer and seller these simpler forms of cooperation instil in him a spirit of collectivism. Since trade is directly connected with production and influences it, the development of collective principles in trade paves the way for the gradual introduction of cooperation in the sphere of production.

Lenin's cooperative plan includes measures to create the material and political conditions for collective farming. The most important of these measures are:

(a) complete or partial nationalisation of land and handing over of land to the peasants for use on a gratis basis or as their private property;

(b) setting up of simple forms of cooperative societies, such as credit, supply and marketing societies, and establishment of associations for joint

use of implements and cultivation of land as preparatory stages for the organisation of producer co-operatives which are a higher form of cooperative society;

(c) socialist industrialisation to provide the big socialist farms with the necessary machinery;

(d) organisation on nationalised land of big state farms which will serve as models of efficient farming, employ modern farming methods and machinery;

(e) establishment of machine-hire centres and machine-and-tractor stations to render technical assistance to the poor and middle peasants and to the cooperative societies;

(f) introduction of a credit and taxation policy which is advantageous to the peasants and which is aimed at drawing them into different cooperative societies;

(g) use of contracting ¹ as a means of introducing elements of planning at private peasant farms. (Contracting encourages the cultivation of crops which requires much labour and means, and helps establish firm ties between the villages and state procurement and supply organisations.)

All these preparatory measures are also designed to limit the exploitative tendencies of private capitalist elements in the countryside. To this end the state may also introduce restrictions as regards the size of the plots of land allotted to peasants and the extent of use of hired labour.

¹ A system of agreements, or contracts, concluded between state procurement organisations and peasant households under which, in exchange for credits, implements and other goods from the state, peasants undertook to sell their produce to the state at a set time and at fixed prices.

CHAPTER XII

Forms of Reorganisation of Agriculture

The organisation of peasants' producer cooperatives is a general law of the building of socialism. This process, however, was marked by different features in different countries.

In Russia, the work of developing new forms of socialist agriculture began soon after the Great October Socialist Revolution. Guided by Lenin's cooperative plan, up to 1928, the Communist Party set up the simpler types of cooperative societies in the countryside.

Up to 1928, the main type of producer cooperative was the association for joint cultivation of land. In these associations the labour of peasants was socialised in the course of joint cultivation of the plots of land allotted to its members. Sometimes the boundaries of the plots were abolished, but in most cases they remained. Farm implements and draught animals were partially pooled. These were small-scale collective associations in which the economy was socialised only to a small degree.

Another type of producer cooperative was the agricultural commune. It socialised all the means of production, that is, not only the basic means, but also the auxiliary means of production. This type of cooperative association, however, did not become widespread. The communes formed in the early years of Soviet power were later dissolved and reorganised into agricultural artels.

Agricultural artels (otherwise known as collective farms) proved to be the most suitable form of producer cooperative for the building of socialism. The artels socialised the use of the land, the labour of peasants, the draught animals, machines and farm implements, as well as the main farm buildings. The collective farmers retained for their own use their personal plots of land, and they also owned the houses they lived in and a certain number of live-stock and poultry.

The collective farm best combines the interests of society as a whole with the personal interests of the collective farmers. It is in keeping with the principle of voluntary collectivisation and ensures the all-round development of the productive forces in agriculture.

State aid to agriculture in the form of new machinery and money and trained manpower, guidance by the working class and the Communist Party in the reorganisation of farming, and strict observance of the Leninist principles of cooperation brought about the complete triumph of collective production in Soviet agriculture. By 1940 the collective farms united 98 per cent of the peasant households.

Simultaneously with mass-scale collectivisation there were organised machine-and-tractor stations. These were state enterprises which did many farm jobs for the collective farms for which machines were needed. In other words, they made it possible to organise the large-scale use of modern machinery in collective farm production. This helped strengthen the collective farms both organisationally and economically.

But the machine-and-tractor stations are important historically in yet another way. They represented a new form of alliance between town and countryside,

between state-owned industry and the collective farms.

Thus, in the 1930's a socialist agriculture had been established in the USSR. This meant that one of the most difficult tasks confronting the country after the working people had taken over power was accomplished. The last exploiter class—the kulaks (rich peasants employing the labour of others)—was eliminated thanks to complete collectivisation of agriculture. With socialist industrialisation in town and collectivisation in the countryside, the age-old antithesis of town and countryside was abolished.

The experience of the Soviet Union was successfully utilised by the other socialist countries. The cooperative movement in these countries, however, had certain features of their own. In most of these countries land was not fully nationalised as in the USSR, but was given to the peasants (farmers) for their use as their private property. This somewhat complicated the process of cooperation. But, as has been pointed out earlier, such a solution of the peasant question was necessary since complete nationalisation of land would have not met with the support of the peasants in countries where the peasants had for many centuries fought for land and against landlords.

In some of the socialist countries, therefore, the earliest producer cooperatives were of the "lower" type. When the peasants joined these cooperatives the land they owned was registered as part of the initial shares which they contributed to the cooperatives and which continued to be owned by them. The peasants received not only incomes in accordance with the amount and the quality of work they contributed to the socialised economy, but also a sort of rent for the plots of land which they transferred to the cooperative. At the next stage of cooperation,

that is, when cooperatives of a "higher" type were organised (which corresponded to the Soviet collective farms but differed from the latter in that the land was owned by the cooperative and not by the state), the incomes were distributed only in accordance with the amount and the quality of work done.

In the People's Democracies an important part in the socialist transformation of agriculture was played by state farms organised as large-scale specialised enterprises on nationalised land. The state farms, alongside the machine-and-tractor stations and hire centres of farm implements, facilitated the going over of the peasants to collective forms of management.

Aside from certain specific national features, three types of producer cooperatives were found in the European People's Democracies. The first, "lower" type socialised only labour while land and the means of production remained the property of peasants. The second type socialised both labour and the basic means of production while plots of land, which were joined to form one big tract, were privately owned. The third, "highest" type, known as agricultural artel, socialised labour, the means of production and land, the income being distributed in accordance with the amount and the quality of work done.

Depending on historical conditions, traditions, national peculiarities and other features, the uniting of peasants into cooperatives proceeded at different rates in different socialist countries. In most European socialist countries (Bulgaria, Czechoslovakia, Hungary and Romania) the process was completed in the main by the early 1960's.

In Poland, state farms are the main form of organisation of socialist agriculture. They account for

about 13 per cent of the country's farm output. Producer cooperatives make up only three per cent. In Poland the socialist transformation of agriculture is carried out through the organisation of the simplest types of cooperation.

In Yugoslavia, the socialist sector in agriculture is represented mostly by state-owned estates, agrarian-industrial associations and a small number of producer cooperatives. Private farms account for more than 80 per cent of arable land and 70 per cent of the country's farm output.

In Cuba, the class of latifundistas (owners of large landed estates), foreign land tenure and part of the capitalist class in the village were done away with during the land reforms (in 1959 and 1963). Former tenant farmers, share-croppers and landless peasants have been given land. Most of the large estates were declared public property immediately after the revolution. The state owns two-thirds of all land which form the basis of the state sector in agriculture. Peasants have been given the right to choose the types of producer cooperatives which they regard as the most acceptable.

At present, the share of the socialist sector in the overall area sown to crops, in terms of the world socialist system, exceeds 90 per cent.

The socialist-oriented developing countries of Asia, Africa and Latin America are also drawing upon the Soviet experience in setting up agricultural cooperatives.

In going over to non-capitalist development, these countries—former colonies and dependencies—inevitably pass a stage of general democratic changes among which the most important are agrarian reforms and the subsequent reorganisation of agricultural production. Naturally, these changes are characterised by different features in different countries,

depending on the socio-economic conditions—the concrete tasks at the given stage of the revolution, the level of economic development achieved, the extent to which capitalist relations have been established in the national economy, and the alignment of class forces.

Although these conditions vary widely, agricultural cooperation is, however, a vital factor in the going over of some of the developing countries to the path of non-capitalist development. Because of the social and economic structure that has taken shape in these countries, the agrarian question is the number one question, and national progress depends on a correct solution of it. The measures taken by these countries to solve the agrarian problem are often similar since they are to various extent related to the same aims: abolition of land ownership by foreigners; elimination of large feudal holdings; state aid to peasants who have received land for personal use as a result of the agrarian reform; opposition to attempts to re-establish private ownership of land; and the development of democratic forms of organisation of agriculture through the introduction of collective principles of management.

Soon after the French colonists were forced out of Algeria in 1962, the peasants formed a sector which they managed by themselves, and which makes up one-third of the land sown to crops and accounts for more than half of the country's agricultural output. One-eighth of the rural population (about one million people) are employed in that sector. The peasants who received land at the first stage of the agrarian revolution (1972-73) were united in 2,500 cooperatives, including more than three hundred mutual-aid associations, about 800 associations for joint land reclamation and 1,364 producer cooperatives. They have been given extensive state aid.

In Tanzania the cooperative movement in agriculture has achieved great progress. "Socialist villages," in which producer cooperatives are set up, are being organised on a mass scale. In 1971, there were 2,700 such villages. In 1972, their number increased to more than 4,500 and in 1974, to 5,500. The co-operatives unite approximately 15 per cent of the country's population.

CHAPTER XIII

The Cultural Revolution

Industrial growth and socialist reconstruction of agriculture objectively set new tasks before the working people. Large-scale machine industry needs workers with a higher cultural and technical level than is found among employees of small, scattered enterprises based on manual labour. The problem of training skilled personnel for the building of socialism is solved through a cultural revolution.

Cultural revolution, according to the true Marxist-Leninist conception of it, means making accessible to working people the intellectual and cultural values accumulated by mankind and the use of these values in the interests of the masses.

Pointing out the great importance of cultural revolution for the building of socialism, Lenin wrote: "This cultural revolution would suffice to make our country a completely socialist country."¹

It should be borne in mind, however, that cultural

¹ Lenin, *Coll. Works*, Vol. 33, p. 475.

revolution is not a task that can be accomplished within a short time; it is a prolonged and difficult process involving a radical remaking of the intellectual life of society.

Cultural revolution is an important law-governed process in the period of transition from capitalism to socialism. Its main purpose is to create a new, socialist culture. The proletariat, after winning political power, does not reject all of bourgeois culture, but distinguishes the best achievements of that culture, critically re-appraises them and uses them to promote the interests of the broad masses of working people.

Cultural revolution consists in raising the educational level of the entire people, eradicating illiteracy, creating favourable conditions for participation by the working people in political activities, making accessible to the people cultural values produced by the whole of mankind, spreading socialist ideology and reorganising on its basis the intellectual life of the people, and in combatting petty-bourgeois attitudes and habits.

Cultural revolution, therefore, is necessary for all countries which have embarked on the road of socialism, regardless of their level of development. Even in the most developed capitalist countries the working people, as a rule, are deprived of the possibilities of enjoying the achievements of culture. With the help of the mass media the ruling classes in capitalist society try to impose their ideology on the working people and to divert the latter's attention from important political issues. Thus, only a socialist revolution creates the conditions for the cultural emancipation of the working people and places genuine cultural values within their reach.

After the working people have taken over power the state nationalises all cultural institutions and

the mass media, including museums, theatres, cinemas, radio broadcasting and TV centres, and the press.

The state directs the educational system. It introduces radical reforms in secondary and higher education in the interests of society as a whole.

At one time some opportunists asserted that until the working people had attained a certain cultural level and until a sufficiently large working-class intelligentsia had emerged, workers should not take power into their hands since "uncultured" workers and peasants would not be able to administer the state and ensure the building of socialism.

Life itself has disproved such assertions. The working class of Russia, a culturally backward country where three out of every four persons were illiterate, won political power in alliance with all other working people in the country. In 1906, or eleven years before the Great October Socialist Revolution, an article appeared in a Russian magazine containing the following estimates: to eradicate illiteracy among the male population of Russia 180 years would be required, among the female population—300 years and among the peoples of the national outlying districts—4,600 years. Having taken over political power the proletariat did everything possible to overcome the cultural backwardness of the country in a historically short period of time. By 1937, when the transition period came to an end, the USSR had in the main eliminated illiteracy. A broad network of secondary and specialised secondary schools and higher educational institutions was established in the country.

The proletarian state made a special effort to raise the level of education among the peoples of the former national outlying districts of Russia.

In the early 1920's, 90-96 per cent of the popula-

tion of the Central Asian republics and 82 per cent of the population of Kazakhstan could not read or write. At present these republics have practically 100 per cent literacy. Nearly half of the population of each of these republics have a higher or secondary education. Today in Uzbekistan alone there are more people with a higher or secondary education than there were in the USSR as a whole in the late 1920's.

The nations and nationalities that had no written language of their own were given the possibility to read and write in their native languages. The children are taught at schools in their native language. The creation of written languages for these peoples helped give them access to world culture.

By 1941, two and a half million people with a higher education were employed in the national economy (as compared to one hundred and ninety thousand in tsarist Russia, in 1913).

The other socialist countries have also successfully conducted a cultural revolution. Socialist ideology becomes the dominant ideology in these countries, where a truly democratic educational system has been established and a people's intelligentsia has emerged.

For instance, in pre-revolutionary Poland 23 per cent of the population were illiterate, in Romania—43 per cent and in Bulgaria—27 per cent. These socialist countries have practically eliminated illiteracy in an exceptionally short period of time.

Another important task of the transition period is to bring about a radical change in the relations between the different nationalities. This is particularly important for a multinational country. The abolition of political inequality among different nations and nationalities does not automatically lead to the elimination of actual economic inequality, though it

creates favourable conditions for it. The economic backwardness of the national districts is eliminated in the process of socialist construction, i.e. in the course of socialist industrialisation, cooperation of farming and cultural revolution.

For instance, the implementation of these measures in the USSR enabled the formerly backward nations and nationalities to establish socialist relations in production and to go over to socialism bypassing the capitalist stage.

The building of socialism in the USSR and the other multinational socialist countries has shown that only socialism can abolish national oppression which is a product of capitalism, establish political equality among different nations and nationalities, do away with all national privileges and discriminations, organise all-round cooperation and mutual assistance among nations, help them achieve actual economic and cultural equality and bring closer their levels of development.

Socialism creates the conditions for the formation and development of national statehood which, far from separating the nations and nationalities from one another, draws them closer together. Implementation of the Leninist nationalities policy in the Soviet republic led to the idea of unification on a voluntary basis of the national republics. Thus, in 1922, the Union of Soviet Socialist Republics was formed. The USSR embodies Lenin's idea of a voluntary union of free nations. It marks the triumph of the nationalities policy pursued by the Soviet Communist Party.

In the Soviet Union international unity is harmoniously combined with national sovereignty. The national republics that have joined the Soviet Union enjoy equal rights and have equal opportunities for national development.

National sovereignty means freedom of choice of the form of social and political development on the part of the nation concerned, and does not necessarily imply the separation of the given nation from other peoples. The experience of the Soviet Union convincingly shows that the sovereignty of each nation is most fully assured in a fraternal multinational family. The close and voluntary union of nations and nationalities is what ensured the complete victory of socialism in the USSR. The solution of the nationalities question in the Soviet republic can justly be regarded as an achievement equal in importance to industrialisation, socialist reconstruction of agriculture and the cultural revolution.

The other socialist countries have drawn upon the experience of the Soviet Union in solving the nationalities question. This experience is also of great importance to the peoples of the young multinational states and to peoples that are fighting against colonialism and for independence.

CHAPTER XIV

Is It Possible to Go Over to Socialism Bypassing the Stage of Developed Capitalism?

The question of whether it is possible for the economically backward countries to go over to socialism bypassing the stage of developed capitalism was discussed in a general way by Marx and Engels. The

first comprehensive treatment of the question was found in the works of Lenin; a concise statement of Lenin's views on the subject is contained in the documents of the Second Congress of the Communist International (1920).

Lenin said: "Are we to consider as correct the assertion that the capitalist stage of economic development is inevitable for backward nations now on the road to emancipation? . . . We replied in the negative. If the victorious revolutionary proletariat conducts systematic propaganda among them, and the Soviet governments come to their aid with all the means at their disposal—in that event it will be mistaken to assume that the backward peoples must inevitably go through the capitalist stage of development. . . With the aid of the proletariat of the advanced countries, backward countries can go over to the Soviet system and, through certain stages of development, to communism, without having to pass through the capitalist stage."¹

In other words, it is possible for socially and economically backward countries where, at the time of establishment of people's power, the conditions for immediate transition to socialist construction are lacking (i.e. where the productive forces are at an extremely low level of development, where there is a very small proletariat or no proletariat at all, etc.) to take the socialist-oriented path of development. This stage of the national-liberation revolution, which in Marxist literature is known as the period of embarking on the "non-capitalist road of development", creates the conditions for the transition to socialism and provides the socio-economic and political prerequisites for carrying out socialist transformations.

¹ Lenin, *Coll. Works*, Vol. 31, p. 244.

Lenin's idea that it is possible for backward nations to go over to socialism bypassing the stage of developed capitalism has been confirmed by the experience of a number of countries in socialist construction. In the Soviet Union the peoples of the Central Asian republics and of the Soviet Far North went over to socialism bypassing the capitalist stage thanks to the assistance of the Russian working class. Mongolia travelled the same road. After the Second World War the Vietnamese people have been successfully building socialism and are also advancing towards socialism bypassing the stage of developed capitalism.

At present there exist favourable conditions for non-capitalist development for a number of countries that have freed themselves from colonial dependence. First, the existence and the steady growth of the world socialist system provide assurance of all-round economic assistance for these countries and serve as a deterrent to possible imperialist intervention against them. Second, some tasks of the national-liberation revolution coincide with the tasks of creating the conditions for the subsequent building of socialism. To overcome their economic backwardness, the developing countries must have control over the activities of foreign monopolies operating on their territories, limit these activities and ultimately put an end to them; nationalise the key sectors of the economy and create a public sector; carry out progressive agrarian reforms; set up state farms and promote the cooperative movement among peasants and handicraftsmen; diversify the economy¹ mainly through industrialisation; introduce long-term and current planning; and establish control over domestic and foreign trade.

¹ To extend the list of goods produced by enterprises.

Implementation of these important measures is possible only under revolutionary democratic regimes which rely on the support of broad sections of working people, which encourage these sections to take part in social activity and which promote the role of the proletariat, the peasants, working youths and the middle strata of the urban population in the country's social and political life.

The socialist-oriented developing countries are building a multi-structural economy which has its own specific features. In some ways it is similar to the Soviet economy in the transition period. In these countries the state and cooperative sectors are gaining strength and a national proletariat is emerging.

The Leninist doctrine that it is possible for economically backward countries to go over to socialism bypassing the stage of developed capitalism does not imply that such a possibility will inevitably become reality. Besides factors which favour the socialist path of development, there are factors which do not favour a socialist orientation. These are: the influence exerted by imperialism on developing countries, an influence which is felt in the economic, political and ideological spheres; the resistance offered by internal reactionary forces to the socialist path; and the activity of "Left-wing" extremists which has caused several countries taking the path of non-capitalist development to commit subjectivist mistakes. Such mistakes aid the reactionary elements in their fight against the policy of socialist orientation and can lead to a temporary victory of the reactionary forces.

The successful development of socialist-oriented countries hinges on the correlation of internal class forces, on the outcome of their struggle, and on the existence of an organised force capable of leading the popular movement towards socialism. That is

why socialist orientation implies persistent struggle against both internal and external enemies of socialism and for the creation, and not "automatic" or spontaneous formation, of the necessary conditions for carrying out socialist transformations.

Conclusion

Sixty years have passed since the Great October Socialist Revolution in Russia, the main event of the 20th century, which ushered in a new stage in world history—the epoch of the transition from capitalism to socialism. The October Revolution has become a banner for the nations that have embarked on the socialist road and an inspiring example for working people of all countries who are waging a struggle against the yoke of capitalism and national oppression. The victorious socialist revolutions in several European, Asian and Latin American countries have confirmed Lenin's idea that the main features of the Russian revolution would inevitably manifest themselves on an international scale.

Social development in the Soviet Union and other socialist countries has convincingly shown that the transition to socialism is carried out in accordance with certain general laws that are valid for all countries, and also that these general laws manifest themselves in different ways in different countries.

The specific features of socialist construction in one or another country have to do with the forms, methods and pace of carrying out socialist transformations. But these specific features do not render the general laws invalid.

As it was pointed out at the 24th Congress of the Communist Party of the Soviet Union, "Success in socialist construction largely depends on the correct combination of the general and the nationally specific aspects of social development. Not only do we understand theoretically but we now have also been convinced in practice that the path to socialism... is determined by the general laws of development, which are inherent in the progress of all the socialist countries. We are also aware that the operation of the general laws of development is manifested in different forms consistent with the concrete historical conditions and national specificities. It is impossible to build socialism without basing oneself on the general laws of development or taking account of the concrete historical specificities of each country."

These principles were reaffirmed at the 25th Party Congress in 1976.

Speaking at a jubilee session of the USSR Supreme Soviet in November, 1977, Leonid Brezhnev, General Secretary of the Communist Party's Central Committee and Chairman of the Presidium of the Supreme Soviet of the USSR, presented an analysis of the general laws of the transition period as they apply to modern conditions, and summed up the experience of the development of world socialism. He

noted that the transition to socialism by other peoples and countries with different levels of development and national traditions would lead to the emergence of an ever greater diversity of forms of socialist construction.

However, the general, fundamental features of the transition from capitalism to socialism have remained unchanged:

- The question of power continues to be the most important question in a revolution. Power will either be held by the working class in alliance with all the working people, or by the bourgeoisie. There can be no third possibility.

- The transition to socialism is possible only if the working class, having gained political power, uses it to end the socio-economic domination of capitalists and other exploiters.

- The transition to socialism can be successfully carried out only if the working class and its vanguard, the Party loyal to Marxism-Leninism, is able to inspire and organise the working people for the building of a new society and for transforming the economy and all social relations along socialist lines.

- Socialism can consolidate its position only if the working people's power is capable of defending itself against attacks both from within and from without.

At the same time the experience of world socialism also confirms that a departure from the basic principles of Marxism-Leninism as regards the general laws governing the period of transition from capitalism to socialism, particularly the principle of proletarian internationalism, can have grave consequences.

To sum up, we can say that the experience of socialist revolutions and socialist development in different countries, irrespective of concrete conditions

and national and historical traditions, testifies to the objective necessity of observing the following general laws:

In the sphere of political development—direction of the activity of working people by the working class whose nucleus is a political party adhering to Marxism-Leninism; the carrying out of the proletarian revolution and establishment of the dictatorship of the proletariat in some form, the formation of an alliance between the working class and the bulk of the peasantry and other sections of working people.

In the sphere of economic development—abolition of capitalist ownership and establishment of public ownership of the basic means of production; creation of the material and technical basis of socialism; implementation of socialist reforms in agriculture; organisation of planned development of the economy.

In the sphere of national cultural development—implementation of socialist revolution in the field of culture and ideology; moulding of an intelligentsia loyal to the working class, the working people, and the cause of socialism; elimination of national oppression and establishment of genuine equality and fraternal friendship between different nations and nationalities.

In the sphere of international relations—defence of socialism's gains against external and internal enemies and fostering of solidarity of the working class and working people of the given country with working people in other countries, i.e. proletarian internationalism.

The Great October Socialist Revolution in Russia, which heralded the beginning of the transition from capitalism to socialism on a world scale, represented the world's first historical experience of conscious application of these general laws.

The development of socialism in our time confirms the great international significance of the Russian revolution.¹ It confirms Lenin's statement that "it is the Russian model that reveals to *all* countries something—and something highly significant—of their near and inevitable future."²

¹ See L. I. Brezhnev, *The Great October Socialist Revolution and Mankind's Progress*, Novosti Press Agency Publishing House, 1977, p. 20.

² Lenin, *Coll. Works*, Vol. 31, p. 22.

Виктор Незнанов
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